

JPRS-NEA-86-085

18 JULY 1986

## Near East/South Asia Report

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18 JULY 1986

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SUDAN

#### NEW CHAIRMAN OF SOVEREIGNTY COUNCIL INTERVIEWED

London AL-TADAMUN in Arabic 7-13 Jun 86 p 10

[Interview with Ahmad al-Mirghani, chairman of Sovereignty Council, by Fath-al-Rahman Mahjub; in Khartoum, date not specified]

[Text] According to the apportionment of constitutional posts effected between the Ummah and Democratic Unionist parties following the parliamentary elections in Sudan, the prime ministry went to the Ummah Party and the chairmanship of the sovereignty council went to the Democratic Unionist Party.

To a large extent, the people did not oppose the election of al-Sadiq al-Mahdi, in view of the fact that the Ummah Party obtained the largest parliamentary bloc in the Sudanese constituent assembly and al-Mahdi's grandson has long been immersed in the political battleground, having previously assumed the presidency for a brief period in the 1960's. The issue of Ahmad al-Mirghani's election as the chairman of the sovereignty council, however, gave the people considerable pause despite the fact that the leadership of the "al-Khatmiyah" order engaged in politics and played a large role in the Sudanese political arena. Their involvement in politics, however, was effected in an indirect manner so that the leaders of the order remained aloof from political posts and left these posts to the leaders of their political party. From this standpoint, Ahmad al-Mirghani's assumption of the chairmanship broke with an old tradition previously maintained by the al-Khatmiyah leadership and placed this leadership in a position that parallels the leadership of the "Ansar" in the domain of political activity.

AL-TADAMUN went to the office of chairman Ahmad al-Mirghani in the presidential palace and thus became the first Arab magazine to be received by the new president of the sovereignty council. This had not previously occurred except in the case of a very limited number of daily newspapers. The first question which we posed to Ahmad al-Mirghani concerned the particular circumstances of his acceptance of the state council presidency and whether this acceptance signifies the orientation of al-Mirghani's religious dynasty toward direct dealings with the government's political and constitutional offices. In response to this question, Ahmad al-Mirghani stated: "The house of al-Mirghani was, still is, and will continue to be a house for all Sudanese. The political role of this house has therefore been clear. My father, our mullah, 'Ali al-Miorghani, rejected the crown because the imperialist offered it to him. In the period of national and consultative rule, however, I do not see in my assumption of political and constitutional

posts anything that contradicts religious reality. I accepted this post following a democratic consensus under the auspices of the rule of consultation after the shakeup of the blessed month of Rajab."

Concerning the challenges that he perceives as heading the list of priorities in reference to the new regime in Sudan, al-Mirghani stated: "The challenges are many and meeting them requires solidarity of efforts and sincerity. I believe, however, that the greatest challenge facing us is the preservation of the rule of democracy and consultation and adherence to this rule for the sake of a stable and secure Sudan under the auspices of a free, honorable, and decent life. The entire world is watching this unique experiment."

He added, saying: "Among the other challenges facing us is the issue of providing security to the citizen, mitigating the straightened circumstances of life, and confronting bad economic conditions regardless of whether they resulted from mismanagement during the past period or from worldwide economic changes and the drought and desertification which has afflicted the country and left its imprint on life. We must, each one from his position, confront all of these challenges and hope that God will grant us success."

The chairman of the sovereignty council did not forget to touch on the problem of the war under way in southern Sudan in view of the fact that the war is one of the challenges facing the government in Sudan. He stated: "We and the southern brothers must join efforts to solve the problem of the South by dialogue, debate, and peaceful methods."

AL-TADAMUN asked Ahmad al-Mirghani if he was of the opinion that the coalition formula for ruling between the Ummah and Democratic Unionist parties and the southern parties will assist toward the creation of a strong government that can apply itself to the problems existing in Sudan, or if he believed that this government will be preoccupied with disagreements and party problems. He stated that "in this phase, the regime requires unity in the ranks, sincerity in the service of the country, and gives precedence to the highest national interest over every consideration. Therefore, the agreement may at least be a beginning. For the sake of realizing greater objectives however, everything else is of little importance. It is my belief that all of the key figures are conscious of their national roles. I do not doubt that they will play a large role in the solution of the problems of this phase through which the country is passing."

[Box containing biographic data pertaining to Ahmad al-Mirghani]

--Ahmad al-Mirghani

--Born in 1941 in northern Khartoum.

#### Education

--Obtained a Bachelor's degree in economics in England.

--Occupies the position of deputy leader of the al-Khatmiyah order. He has been a member of the political office of the Democratic Unionist Party since

1967 and has been in charge of Arab affairs in the party's political office since 1985.

--Served as the envoy of 'Ali al-Mirghani - (the guardian of the Democratic Unionist Party and the (late) leader of the al-Khatimyah order) to King Faysal bin 'Abd-al-'Aziz at the Arab summit meeting in Khartoum in 1967; this meeting resulted in a conciliation between King Faysal bin 'Abd-al-'Aziz and President Jamal 'Abd-al-Nasir and the end of the Yemen war.

--Was a member of the secret political office of the Democratic Unionist Party from 1969 until the popular uprising.

--Occupied the post of chairman of the administrative council of a number of companies such as the Arab-African Company for Import and Export, the Sudanese Islamic Bank in 1983, and the Agricultural Equipment Company.

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CSO: 4504/341



18 July 1986

## SUDAN

## FOREIGN MINISTER GIVES INTERVIEW TO AL-ITTIHAD

Abu Dhabi AL-ITTIHAD in Arabic 3 Jun 86 p 16

[Interview with Zayn al-'Abidin al-Sharif al-Hindi by Anita Sonkigian: "Economic and Political Challenges Facing New Government"; in New York, date not specified]

[Text] Sudanese Deputy Prime Minister and Minister of Foreign Affairs Mr Zayn al-'Abidin al-Sharif al-Hindi stated that settling the conflict with the insurgents in the south topped the Sudanese government's priorities. He expressed his confidence that the government will succeed in surmounting the problems facing the country.

In a special statement to AL-ITTIHAD from New York where he attended the General Assembly session on the African situation, the Sudanese minister emphasized that his country's relations with neighboring countries and other Arab states, including Egypt and Libya, are good and firm. In a response about his country's signing a military agreement with Libya, he said that Sudan is indeed bound by a military agreement with Libya signed by the transitional government, pointing out that the agreement is still in effect and has not been changed in any way.

He expressed his hope that Arab countries, the Gulf countries particularly, will help Sudan overcome existing problems, adding that he will tour all Arab countries soon to explain domestic conditions in his country.

About Sudan's relations with the USSR and the United States, al-Sharif al-Hindi explained that his country's policy is based on non-alignment and positive neutrality which takes common interests into consideration.

Following is the interview conducted by AL-ITTIHAD correspondent Anita Sonkigian in New York:

[Question] Can you explain the challenges facing the new Sudanese government?

[Answer] The present Sudanese government is facing many problems inherited from the previous government, the most pertinent of which are the economic problems and those related to the issues of refugees, hunger, draught, border issues and the ongoing conflict between the north and the south. We



presented our problems to the international group during the General Assembly's session which in turn stressed that it will offer all possible assistance to help us surmount these problems. I believe that, notwithstanding the enormity of these problems, there is no difficulty in finding solutions to them, but we need some time to be able to get out of the present dilemma.

[Question] What democratic establishments have emerged in your government?

[Answer] There are many democratic establishments that manage the country's affairs. They are the presidential council, which includes five elected members, the People's Assembly (parliament), the council of ministers and the judiciary which is completely independent. This is in addition to the press establishments which enjoy total freedom.

[Question] What about military establishments?

[Answer] The army is a national establishment whose mission is to protect national security and interests. It plays no political role.

[Question] Sudan is surrounded by eight neighboring countries. How can it support its commitment and adherence to the non-aligned movement?

[Answer] Sudan occupies an important strategic position in the region. It maintains good relations with neighboring countries based on common interests. It has never interfered in the internal affairs of any country. We are now seeking to strengthen our economic relations with the countries that have responded positively to such endeavors.

[Question] How do you describe your country's relations with Egypt?

[Answer] Sudan maintains special relations with Egypt, special and everlasting relations that include many fields.

[Question] And what about your relations with Libya?

[Answer] Libya is a neighboring country with which we have common interests. At any rate, we make no distinction in our relations with fraternal Arab countries.

[Question] Have you signed a military agreement with Libya?

[Answer] We have not abrogated the military agreement the transitional government signed with Libya and no amendments have been introduced to it. I would like to point out that our foreign policy is built on friendship with all countries and there will be no need to sever relations with any country. We currently maintain full diplomatic relations with Libya at the ambassadorial level.

[Question] How will your government balance its relations with Egypt on the one hand and Libya on the other?

[Answer] I have already said that our foreign policy is based on friendship with all countries. Therefore, Sudan plays a significant role in creating a proper climate for the settlement of pending problems in the region. We will continue playing such a role because it is very important to achieve peace and stability in the area.

[Question] How will you balance your relations with the USSR and the United States?

[Answer] Our policy is based on non-alignment and positive neutrality which takes into consideration common interests between Sudan and other countries. So long as we do not have enemies in the world and do not covet other people's land and rights, we will maintain the same relations with world countries and will set up new friendly relations as well.

[Question] How do you perceive your relations with the United States in the near future?

[Answer] We expect the United States to increase its economic aid to Sudan in view of present extraordinary problems which are beyond the government's control. It is natural that any country should suffer the kind of problems facing Sudan if afflicted with such disasters, namely draught and desolation in Africa in general and Sudan in particular. That is why we expect the American government to double its aid to us, for we are bearing an additional burden caused by the growing number of refugees.

[Question] What do you expect from the United States from a political point of view?

[Answer] The political factor is also linked to the status quo in Sudan. I believe that any country that [does not] help us is not considered friendly.

[Question] What is the form of political relations [sentence incomplete]?

[Answer] We expect our friends and brothers in Arab countries to stand by Sudan to help it carry out its development program. We expect such help to be commensurate with individual abilities because we are aware of the economic problems facing the Arab countries, the Gulf ones particularly, due to lower oil prices. We also hope that these countries will pay greater attention to Sudan because its problems are of foremost concern to Arab brothers, especially since our country is shouldering two important principles, which are Arabism and Islam in Africa, in facing numerous unpropitious problems.

[Question] Do you plan to tour Arab Gulf countries?

[Answer] I will tour all Arab countries. I do not know when, but the tour will include all Arab countries.

[Question] Does the prime minister plan to visit Washington?

[Answer] The prime minister's visit will not be confined to Washington alone, but will include several other world countries to explain the new face of Sudan and to discuss matters of mutual concern.

[Question] Why did you choose to include the USSR in this tour since you will be travelling to Moscow next July?

[Answer] This is due to the fact that some matters, which are still pending between the two countries, are in need of further discussion. It is a known fact that our relations with the USSR have been bad in the past and we are seeking to normalize them so as to remove existing problems.

[Question] Are there efforts to produce oil?

[Answer] We have met with the general manager of the Chevron Company to discuss the resumption of drilling. Our hope is that the company will start production soon.

[Question] What is the main obstacle in the way of improving relations between the north and the south of Sudan?

[Answer] This problem between the Sudanese government and John Garang began before we came to power. We, on our part, are seeking to negotiate with Garang and are confident that no problems exist between us and the people of the south. However, the southern region, like all other regions, has endured much at the hands of the previous (Numayri) government and this has led to some problems. We have created the Ministry of National Conciliation and Peace to settle such problems.

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CSO: 4504/343

SUDAN

INTERIOR MINISTER INTERVIEWED BY GULF PAPER

Al-Shariqah AL-KHALIJ in Arabic 23 May 86 p 13

[Interview with Sayyid Ahmad al-Husayn by al-Taj: "The People Must Be Informed of All Matters To Protect Democracy"; in Khartoum, date not specified]

[Text] He was keen on receiving us at his home in Khartoum, favoring AL-KHALIJ with the first interview he gave one day after assuming his new position. He talked to us about his new responsibilities in the spirit of an ardent revolutionary and the concentration of an experienced politician with a clear vision and a background replete with pictures from past opposition, love of freedom and the desire to maintain the democratic system.

Sayyid Ahmad al-Husayn was an official in northern Sudan working as a lawyer before his selection as interior minister and after the popular uprising he held the position of assistant secretary general in the Democratic Unionist Party on whose behalf he signed the charter of the popular uprising on 5 April 1985, before the army sided with the people, ending 16 years of ignomy, disgrace, backwardness and dictatorial rule.

What follows is the text of the interview:

[Question] The matter of safeguarding democracy is a primary task in the next phase. What arrangements must be made in this regard?

[Answer] Safeguarding democracy is the foremost concern in the social context of democracy. Safeguarding democracy means providing all the necessary requirements for the Sudanese human being and eliminating the living hardships and heavy burdens suffered by the Sudanese people because of the high cost of living.

We must work diligently and be productive. Before attaining an adequate level of production, we must begin with ourselves as officials to set an example in sacrifice and self-denial. We must tighten our belts and act as political leaders first and foremost.

We must apprise the Sudanese people of our real situation and must work with them in the production process in order to realize a level of social context

for democracy. Through production and social justice, we can safeguard democracy. We can also safeguard democracy by maintaining close contact with the people and sharing their problems to make them feel that their leaders are in tune with their situation and do not say one thing and do something completely different.

These are the measures that preserve democracy. Democracy is not safeguarded by security measures or the maintenance of law and order, even though this is an important and necessary matter, but it is not everything.

Democracy must be safeguarded through the protection of citizens against those who plunder their livelihood and tinker with their country's fate.

[Question] In light of what you have just said, what role can the ministry play in the democratic age to eradicate the May vestiges?

[Answer] The truth is that the Interior Ministry has many responsibilities intertwined with other government agencies. What it can do to eradicate the May vestiges is to tackle the issue of corruption and expose those who are trifling with the people's livelihood.

The ministry's department must keep a watchful eye on the people's interests to expose the people's enemies. Undoubtedly, practices in the past 16 years have created types of people who can only live in muddy waters. The ministry must resist all means of trifling with people's livelihood, all means of smuggling and all ways that harm people's interests. It is the tool that exposes the ploys of those lying in wait for the Sudanese people and interests.

[Question] How do you balance between your concern for security and freedom for various political sides and the Sudanese citizens and between everyone's right to political action and organization, including the organization of demonstrations and processions?

[Answer] Democracy actually means the enjoyment of freedom without violating the freedom of others. Consequently, the Sudanese individual, under democracy and in accordance with this concept, can exercise all his rights to freedom and democracy within the limits of the law. The term "within the limits of the law" means that such freedom must not restrict the freedom of others and must not interfere with or impair their rights. Therefore, we at the Interior Ministry are entrusted with the task of maintaining law and order in a way that does not detract from the freedom of others. We are able to reconcile democracy and the maintenance of law and order. However, ours is certainly not an age of dictatorship, and therefore we will not repress the people to protect our seats.

We protect the system and the citizens, but not the seats of rulers. Through this concept we are able to live in real democracy and reconcile the maintenance of security and the people's right to assemble and demonstrate under the law. The people have every right to exercise these rights within the boundaries prescribed by law. Indeed, it is our duty to urge them to exercise these rights.



[Question] A related question is when will the present state of emergency be lifted and under what conditions would it be reinstated?

[Answer] I do not believe in emergency laws and our situation is a good reflection of this tendency. For even after the state of emergency was imposed, our laws were not being enforced. However, perhaps the war in the south necessitated imposing the state of emergency.

I personally believe that the state of emergency must be lifted immediately and we will work toward this end because we see no reason or use for it. Have you ever felt that a state of emergency was in effect? Certainly not. Perhaps the transitional government was compelled by psychological considerations to take advantage of such a decision.

[Question] Speaking of former government decisions, the former interior minister and the prime minister confirmed the existence of weapons with various parties and called for them to be surrendered, but no progress has been made in this regard. How does the new minister feel about this and what is his plan for collecting these weapons?

[Answer] With regard to the weapons kept by the parties and various other sectors, I believe that this problem must be tackled with something more than just talk. We in the Interior Ministry must employ all ways and means to try to identify these weapons' location, quantities and owners. We must start by collecting all the necessary data, thereafter issuing another appeal to these parties and groups. If they respond, we will be delighted, but if they do not, we will have to enforce the law and try to locate the weapons wherever they may be. We must not stand idly by, making calls and appeals without knowing what is actually occurring, for this is bound to create some confusion and instability which is not the government's intention.

The matter of surrendering weapons is an important and serious issue which must be given a great deal of attention after getting acquainted with the ministry and its workers.

[Question] How do you perceive the function of the new security agency?

[Answer] The new security agency is another important issue. We who are in power now were in the opposition only one year ago. We were greatly hurt by the various security agencies and have developed great sensitivity toward this term, no doubt about that. But God Almighty wished us to be in power and to deal with these agencies which are a national and pan-Arab necessity.

Since I am still acquainting myself with the workings of the ministry, my colleagues and I will make every effort to get to know these agencies well. At this point, I can say that I am proud of the former minister and his colleagues who charted an important course in this field whereby security agency personnel are hired as police officers. There is no such thing as a security officer in the sense that security personnel spend their entire career in security. Security has become a part of the police in that security



officers may spend 2 months in the police and 3 months in investigations, thus guarding against corruption.

Moreover, the third issue of which I have become aware is that investigation has been separated from the other security agency functions. The security agency conducts surveillance and information gathering and its findings are turned over to Central Investigation for investigation.

Hence, I am very happy with the initial date I have obtained, but I must visit other agencies and meet with department chiefs, including the Domestic and Foreign Security Agency, to get to know first hand their structure and objective concept so that they may fulfill their role and I may take part in approving or amending this concept.

[Question] Rumor has it that the new government is inclined to rehire former security elements. How true is that?

[Answer] I cannot answer any questions in this regard if I do not know what this is all about and what elements will be rehired. But I would like to make it clear that those who have come back have been hired as police officers and can move within various police departments. They cannot be like the former agency's personnel who were hired off the streets without qualifications or were of various nonpolice backgrounds which brought about major excesses.

The matter of rehiring former agency personnel requires careful study to set the criterion for such a step.

[Question] The Sudanese people have suffered from lack of security and the police have been complaining of meager capabilities, low standard of living and poor recruitment. What are the general features of your plan for remedying such a great deficiency?

[Answer] It is well known that a general state of weakness in all vital facilities prevails throughout Sudan. Our capabilities are dwindling or, worse yet, disappearing. We suffer decline, neglect and lack of discipline, all of which compound the responsibility of the police.

On the other hand, we find that meager capabilities have an effect on the performance of the police, thus placing police officers in an unenviable position.

This complicated situation has compelled police officers to give up their lives in some instances because criminals have more capabilities and better means than the police.

Accordingly, I say it is our duty to provide them with a decent living and peace of mind which they can project to others.

I believe that complaints about the lack of security do not reflect on the loyalty or efficiency of our police. Rather, they manifest a lack of capabilities although our men do a great job with such scanty means.

I also believe that a basic feeling and conviction of the people is that our taking care of the people means taking care of security officers, their families and their professional tools.

[Question] The issue of independent security companies came to the surface recently. What is your opinion in this matter and how does it affect national sovereignty?

[Answer] I believe that security is a national responsibility which has no room whatsoever for the private sector. Although I do not have information about private security companies such as the "SSTI," which used to provide protection for embassies, I personally feel that such companies should not exist because security is the foremost duty of the state and must never be entrusted to the private sector.

[Question] We come to foreign issues and their influence on security in Sudan. We begin with Numayri's extradition. How has the failure to extradite Numayri affected Sudanese security?

[Answer] I believe that the failure to extradite Numayri will not affect security, but unfortunately will affect our relations with fraternal Egypt.

We urge the brothers in Arab Egypt to turn over the despot Numayri, particularly since we in the new regime, with all our parties, used to be in the opposition and have endured untold sufferings at the hands of Numayri and his cohorts. We certainly have a vested interest in Numayri's extradition and the entire Sudanese people want to see it happen.

We want justice and it is dishonorable to give up efforts to gain his extradition while he is close by. We, as a nation and as a people, have endured destruction, ruin and the seizure of freedoms and democracy.

Hence I believe it is unfair to have Numayri in Egypt enjoying any kind of protection. This is totally unacceptable and not backed by any convention or friendly and fraternal relations between the two countries. It is totally unjustifiable and we hope that the Egyptian government will turn Numayri over to the Sudanese people. We urge it to do that to avoid any damage to the eternal relations between the two fraternal countries.

[Question] Sudan is a vast country surrounded by countries with old and new political and military conflicts which have brought large numbers of refugees to it. How do you assess the effect of the influx of refugees on Sudanese security and nationalism and what can the ministry do to organize their presence, particularly since a large number of them are in the country illegally?

[Answer] This is not an easy matter. It is a basic issue that falls within the ministry's responsibilities because the refugees office comes under the Interior Ministry. I believe that the refugee question is the most serious problem facing Sudan today and its effects are not confined to security and health issues, but indeed extend to our ability to undertake sound economic planning. We, as a country that plans in accordance with a specific

population in mind, are suddenly confronted with droves of people coming across the borders to disturb this planning. The problem has many facets which I believe are on the mind of every citizen. This problem must be tackled in order to arrive at some kind of solution.

The problem extends as well to the matter of open borders, the next human exodus and its influence on Sudanese nationalism and personality which has been affected by this. This was a policy intentionally followed by the toppled regime which wanted to hang on to power in any way it could without any consideration for such consequences.

For the time being, the Interior Ministry will afford the refugee question special attention and will conduct a scientific study based on law and international norms with a view to reaching a radical solution in this regard, God willing.

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CSO: 4540/343

SUDAN

BRIEFS

**BUTCHERS' STRIKE**--Khartoum, 28 May (SUNA)--Butchers in Khartoum have went into an open strike Tuesday in the wake of a crack down by price control authorities in the national capital. The Butchers Trade Union said the new prices fixed by the authorities is not relevant compared to the prices of wholesale merchants who sell the meat to the butchers. The trade union called for the government's intervention to keep away middlemen whom they described as the main reason behind the hike in meat prices. [Text] [Khartoum SUNA NEWS BULLETIN in English 28 May 86 p 7] /9274

**BANK STRIKE**--Khartoum, 29 May (SUNA)--The employees of Sudanese Commercial Bank went on a week-long strike yesterday after the Bank's Board failed to meet their demands for better terms of service and the dismissal of the bank's deputy manager. Reliable sources at the employees trade union told (SUNA) the employees demanded the dismissal of the bank deputy manager and the execution of the 1984-1985 frozen promotions. [Text] [Khartoum SUNA NEWS BULLETIN in English 29 May 86 pp 5-6] /9274

**COTTON MARKET**--A 20 percent cut in initial selling prices for the prime barakat (long-staple) cotton has done little to help to shift the 1985-86 crop since marketing started in early May, industry observers say. The price is now about \$0.88 a pound. So far, it is estimated that little more than one-tenth of the barakat on offer--365,000 420-pound bales of the 1985-86 crop and 525,000 bales in carry-over stocks--has found firm buyers, mostly in the traditional markets of Japan, other Far East countries and West Europe. Japan, which in recent years has taken 60,000-70,000 bales of Sudanese long staple, has bought only about 10,000-12,000 bales and, like other important customers, is reported to be waiting to see how much lower world prices will slide before committing itself further. Czechoslovakia has agreed to buy at least 8,000 bales, paying in convertible currency. However, industry observers are sceptical about whether the Sudan Cotton Company's insistence that it be paid only in dollars--a policy introduced in early 1985 and restated in the 1986 conditions of sale--is realistic. Much of the 1984/85 crop was eventually bartered. [Text] [London MIDDLE EAST ECONOMIC DIGEST in English 7 Jun 86 p 26] /9274

CSO: 4500/143

TUNISIA

DEFENSE, INTERIOR MINISTRY BUDGETS ANALYZED

Paris AFRICAN DEFENCE JOURNAL in English Mar 86 p 66

[Text] Tunisian President Habib Bourguiba signed in Carthage on December 31st of last year, law No 85-109 covering his country's 1986 budget. The budget, totalling 1,970,000,000 dinars, is balanced in receipts and expenditures. The following article details provisions for the Defence and Interior Ministry budgets.

**Defence Ministry**

The Defence Ministry budget totals 106,300,000 dinars, including 104,900,000 for existing services and 1,400,000 for new measures. This puts the Defence Ministry in last position behind the five largest sections in the State budget exceeding 100 million dinars (Finance Ministry 865,380,000; National Education Ministry 304,500,000; Public Health Ministry 146,000,000; Ministry of the Interior 113,000,000). The defence budget is broken as follows:

● **1st section - Government spending:** 66,000 for services voted to cover allowance for the minister and cabinet member salaries.

● **3rd section - Funds for services:** 104,269,000, including 102,669,000 for services voted and 1,400,000 in new allocations. The breakdown is: payment of personnel as per provisions in management law 72,351,000; payment of permanent employees 3,212,000; specific payment to non-permanent employees working for the government or other payments 66,000; material and equipment expenditures and administration 26,764,000; reimbursement of transportation expenses and daily reimbursement for temporary personnel and special assignments 823,000; payment of personnel employed temporarily by the main military training hospital 110,000; operating subsidy to public establishments employing government personnel or associated organisations 953,000 (this sum includes the military training academy 338,000; the main military training hospital 346,000; the military high school 30,000; the non-commissioned officers' school at Bizerte 90,000; the National Defence Institute founded in 1984 16,000; the general staff school 23,000; the naval academy 25,000; the military technical high school 9,000; the armed forces technical school 26,000, the Bouficha joint forces applications

training school 27,000; the military sports school 6,000; the military aviation school 17,000).

● **4th section - State activities:** 1,965,000 corresponding to direct government spending for social and cultural activities (1,930,000) and 35,000 for indirect government sponsored activities in the same areas. Furthermore, the budget calls for the Defence Ministry to receive special treasury funds totalling 5,000,000 dinars for national military service and 16,500,000 dinars for military equipment and construction. Law no 85-110 of the 31st December also fixes the capital budget for the 1986 fiscal year. The ministry credits are as follows:

● **Government budget credits** broken down by programme and project. 1) Revaluation with a decrease of 6,200,000 and an increase of 39,322,000; 2) new projects with 21,530,000

● **Credit commitments and payments** for capital equipment covered by direct investments: 126,616,000 for credit commitments and 119,800,000 for payment credits.

**Ministry of the Interior**

The fourth largest government section in terms of spending, the Ministry of the Interior was voted 113,000,000 dinars, including 111,384,000 for services voted and 1,616,000 in new measures. The breakdown for the Ministry of the Interior is as follows:

● **1st section - Government spending:** Funds for services voted 771,000, including 103,000 for expenses for the Minister and State Secretarial and payment of cabinet salaries and 668,000 for special government expenditures

● **3rd section - Funds for services:** 111,960,000, including 110,344,000 in funds for services voted and 1,616,000 in new measures. The



breakdown is as follows: salaries for active personnel as per the management law 84,314,000; salaries for excess personnel and employees (temporary) 1,157,000; permanent employee salaries 3,820,000; non-permanent government employees working for the administration (all expenditures) 2,464,000; material and equipment expenditures and administration 11,591,000; reimbursement of transportation and daily travel stipends and payment of assignments for temporary personnel 760,000; operating subsidy to state establishments employing government personnel or associated organisations 7,854,000. This last figure, government subsidies, is broken down as follows: national training academy for police and national security personnel 1,256,200; national training academy for national guard and civil defence and penitentiary personnel 1,194,300; penitentiary services and re-education work 844,000; Gammarth education centre 40,300; Sidi El Hani education centre 40,500; Agareb Sfax education centre 34,800; Mejez El Bab education centre 33,500; Naassen education centre 24,900; Manouba observation and education centre 31,000; Tunis prison 389,100; Manouba women's prison 49,000; Sfax prison 84,900; Borj Rouni prison 201,100; Nadhour prison 77,100; Saouaf prison 36,600; El Haouareb re-education work centre 65,200; Sousse prison 64,800; Kasserine prison 69,500; M Rira observation centre 20,200; Borj Touil observation centre 19,500; Kef prison 39,000; Gatsa prison 46,800; Bizerte prison 29,200; Mahdia prison 53,100; Gabes prison 26,100; Beja prison 24,600; Sers re-education work centre 26,300; Monastir prison 50,900; Harboub Medenine prison 27,000; Kairouan prison 31,400; Siliana prison 14,900; Grombalia prison 58,200; Sidi Bouzid prison 16,000; Mornag prison 28,500; Eddya au Kef prison 13,900; Borj El Amri prison opened in 1986 16,000; Zaghouan prison 13,700; Jendouba prison 13,800; Rabta prison opened in 1986 43,000; Tunis El Ouardia reception and orientation centre 165,000; administrative management of civil defence activities 2,540,200.

● **4th section - Government spending:** 269,000 for direct state spending to finance social cultural activities. In addition to these funds, the Ministry of the Interior will receive special treasury funds totalling 70,000,000 dinars for expenditures shared with local authorities and 5,000,000 for municipal development programmes. In addition, under the terms of law 85-110, the Ministry is allocated the following credits:

● **Government budget credits totalling**

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13,703,000 dinars for re-evaluation of current programmes or projects. This sum is broken down into: extension of the National Guard training academy at Bir Bouregba 4,000; construction of a headquarters for the Zeramidine delegation 4,000; Mahdia prison 80,000; construction of dormitories and administrative buildings at the El Aouina National Guard barracks 100,000; construction of jails 70,000; construction of a joint Tunisian-Algerian border station at Babouch El Ayoun 300,000; work on the BOP barracks at Gabes 35,000; construction of BOP barracks at Nabeul 210,000; extension of the National Guard training academy at Bir Bouregba (2nd section) 300,000; work on prison facilities 430,000; work on police stations 700,000; work on the Sidi Saad police academy in Kairouan 200,000; replacement of department electrical installations 500,000; construction of five delegation units with housing 670,000; police training academy at Salambo 300,000; work on National Guard barracks 200,000; National Guard training academy at Chebika (Kairouan) 300,000; construction of civil defence personnel brigade centres 100,000; National Guard health care centre at El Aouina 300,000; construction of reception and orientation facilities at El Ouardia 150,000; acquisition of automobiles 1,800,000; acquisition of special equipment 1,800,000; acquisition of electrical generators 200,000; acquisition of transmission equipment 1,800,000; civil defence 200,000; bedding and barracks supplies for the BOP 300,000; acquisition of data processing equipment 700,000; security equipment 200,000; border station and national security traffic patrol equipment 150,000; police force operations room equipment 100,000; police repair shops equipment 50,000; miscellaneous equipment for police training academies 100,000; renewal of national identity cards 200,000; equipment for border stations and BIG units of the National Guard 300,000; traffic surveillance equipment for the National Guard 150,000; equipment for the National Guard operations room 50,000; equipment for National Guard repair shops 100,000; equipment for the National Guard training academy at Chebika 100,000; equipment for the reception and orientation centre at El Ouardia 50,000; equipment for the National Guard training academy at Bir Bouregba 100,000; prison equipment (1986 programme) 300,000.

● **Commitment and payment credits** corresponding to direct investment equipment expenditures: 17,653,000 for credit commitments and 9,660,000 for payment credits



BAHRAIN

HEAD OF GAS COMPANY ON PROSPECTS FOR GAS INDUSTRY

Al-Shariqah AL-KHALIJ in Arabic 18 Mar 86 p 7

/Interview with Ibrahim ibn Rashid al Khalifah, chairman of the board of directors of Bahrain National Gas Company; date and place not given/

/Text The importance of gas is increasing daily as a result of its many uses in various areas of life and its involvement in many of the industries that have special importance in the Arab region and the Gulf states. In the not too distant past, gas associated with oil products was burned and was not used at all despite the fact that it is rich in oil products and differs from natural gas.

In Bahrain, the government decided to utilize this gas instead of burning it. It established a gas liquifaction plant through Bahrain National Gas Company. AL-KHALIJ met with Ibrahim ibn Rashid al Khalifah, chairman of the board of directors of the company, and interviewed him with regard to the importance of gas in our daily lives and the degree to which it has been affected by the decline in oil prices in the world market. The text of the interview follows:

/Question Many people confuse natural gas with associated gas and really do not know the difference between them. Can you define the difference between the two types?

/Answer The difference is that natural gas is extracted from underground without being mixed with anything else. On the other hand, associated gas comes dissolved in oil. When this gas comes to the earth's surface, the pressure changes and the amount of gas decreases. It is separated from the oil and then we carry out continuous pressurization and cooling processes on this gas in the liquefaction plant to separate it from the water vapor that is dissolved in it. Next the associated gas is liquefied into three products: propane, butane, and gasoline. The remaining gas is pumped to Bahrain Aluminum Company, ALBA, for use in generating electricity.

Use of Gas

Associated gas was discovered when oil was first discovered in Bahrain, although it continued to be burned until as recently as 1979. It was not utilized for several reasons. The main reason is that the process of

gathering and liquefying gas is not economically attractive if the prices of the products are low. Prices did not rise until the end of the 1970's and the early 1980's, that is, with the beginning of the formation of the Bahrain National Gas Company. In 1979, an agreement was concluded among the government of Bahrain, Caltex Bahrain Company, and the Arab Petroleum Investments Company, "Investcorp," which is one of the OAPEC companies. According to the agreement, 75 percent of the shares of the company are owned by the government of Bahrain, 12.5 percent by Caltex, and 12.5 percent by Investcorp from India. An American company prepared the plans for the plant, and the Japan Gas Company built the installations. The plant was officially opened in 1979.

/Question/ Some time ago you announced a plan to develop the main gas plant. When will the expansions included in this development be completed?

/Answer/ In fact, 70 percent of the plant development project was completed before the end of 1985. All the pieces of equipment have been installed in the plant. Work is now underway to connect this equipment with the various piping networks. Work to install 40 kilometers of gas gathering pipeline between the site and Sutrah is expected to be completed soon.

We allocated \$6 million for the development of this plant, and the completion of all phases of this development is scheduled for the current year. The project will increase the capacity of the plant to 170 million cubic feet per day, representing a 55 percent increase over the design capacity of the plant.

The projections of Bahrain National Oil Company, BANOCO, say that the associated gas that is used must increase in the future to maintain the quantity of oil at its present level. The latest projections indicate that the gas that will be available could reach 200 or 250 million cubic feet per day. Therefore, we decided on the expansion so that we will not waste a national resource. We have abundant gas that is not being utilized.

At the present time, we have three studies that are evaluating an increase in the capacity to 200 million cubic feet, 250 million cubic feet, and 300 million cubic feet. However, we have not yet arrived at definite results. We are still studying the economic benefits and return for each separate option. If we find that increasing the capacity to 300 million cubic feet will be a little more than increasing it to 250 million, then we will think about the matter.

We are presently maintaining coordination with the gas companies in Saudi Arabia and Qatar to utilize the gas we cannot use due to the differences resulting from the rises and falls in world oil demand in the summer and winter. Oil production is tied to consumption, so that demand increases in the winter and decreases in the summer. Because all the gas liquefaction plants in these states have a certain capacity they cannot exceed, we utilize the excess quantities of gas in coordination with them rather than not benefitting from it.

## Prediction Is Difficult

/Question/ Can you predict the quantity of gas actually present underground?

/Answer/ It is difficult to answer this question. This is because the oil in the ground cannot all be produced. If a cavity were to contain 100 barrels, for example, only about 30 barrels would be produced. The remaining 70 barrels are left behind because they are too costly. In addition, the quantity of gas or oil present depends on the technology used to extract this gas or oil from the technical standpoint. There is something called the proven reserves and something called the probable reserves. With regard to oil and associated gas in Bahrain, current indications suggest that the oil will last 20 years. Pinpointing the quantities is very difficult and complex. It can be said that natural gas, not associated gas, could last 60 more years in Bahrain. I can confirm that the future worldwide belongs to gas. It is much cheaper than alternative sources for generating power and the other uses throughout the world.

/Question/ Does this mean that gas may be substituted for oil as a source of energy in the future?

/Answer/ We now have vehicles that use gas as a fuel. However, the problem here is the process of transporting gas. Transport of oil is easier, although gas is much cheaper and cleaner than petroleum products, and the products of combustion of gas released into the air are less polluting than the products of combustion from oil, benzene, or kerosene, for example. Gas is transported worldwide by two means: by ship or by pipelines to convey it to the storage area. When gas reaches the consumer in other states, it is used for heating and the generation of power. Many plants have now begun to use gas because of its low cost. We also find gas more acceptable in Europe because of the fact that it is the safest source from the standpoint of atmospheric pollution. Coal remains the worst source of pollution after oil. In the world at present, we find people trying to reduce their dependence on oil in order to weaken the OPEC states. For this reason, the consumption of gas is increasing annually at a minimum of 5 to 6 percent while the share of oil consumed is decreasing. Therefore, the future belongs to gas. We currently have a station which supplies gas, and many of the company's vehicles here run on gas. In Japan and Europe, they now use liquefied gas, although gas is more dangerous and vehicles require periodic inspections--every 6 months, for example.

/Question/ What are the basic principles involved in setting the price of gas?

/Answer/ The production of gas is not restricted to a specific region since it is tied to oil production. When 100 barrels of oil are produced, 700 million cubic feet of associated gas are produced with it. When oil

production declines, the production of associated gas decreases as a result and the production of the plants decreases. When production decreases while demand remains the same, the price rises. With regard to the Gulf states, there are periodic meetings of associated gas producers. We coordinate policies and standardize and set prices according to supply and demand. There is no official price.

#### Contributing Source of Revenue

/Question/ Can gas be an alternative source of revenues for the state?

/Answer/ It is difficult for it to be an alternative source. However, it can be a contributing source. The policy of the government of Bahrain is to encourage industries, and therefore we do not charge gas to these industries at world rates. Instead, we reduce our prices to attract and encourage the existence of more such industries. We produce 3 million barrels of gas per year.

/Question/ Does the government plan to purchase Caltex Company's share in Bahrain National Gas Company?

/Answer/ This is a political matter. However, in general, Caltex has served Bahrain very well. If we look at the matter from an economic perspective, it would have been economically attractive to purchase the share 3 or 4 years ago, but now I do not believe it would be.

There is currently a decline in world demand for products pertaining to gas, and companies are losing money and not earning profits. Therefore, the time is not appropriate at present to exclude an international company with considerable expertise from the participation it already has.

/Question/ Are you facing problems in the area of marketing?

/Answer/ As I mentioned, we have three products. Propane and butane we sell in the world markets. As for gasoline, we sell it to Bahrain Petroleum Company, BAPCO, through a pipeline already in existence between us. When the gas liquefaction plant was first established, we faced a marketing problem since we had a small product volume compared to the neighboring states of the area, so that sales operations were not economically viable. However, with the passage of time, the situation has changed as a result of increased demand for gas products. We now have an agreement with Caltex whereby they market the products and receive a commission in return. We are responsible for shipping these products. Although we have problems with regard to shipping, we are in the same situation as the other area states because of the Iraqi-Iranian war and the resulting increase in shipping insurance rates.

/Question/ How are you able to provide manpower in the gas liquefaction plant?

/Answer/ As a matter of fact, experience with gas liquefaction is new and scientific expertise is limited in this field, since the liquefaction process began only about 20 years ago. In Bahrain, when we built the plant, we brought in secondary school graduates and trained them in Gulf College of Technology. We sent them for further training in the Kuwait plant with continued domestic and foreign training. The proportion of Bahrainis working in the company has now reached 86 percent of the workforce, which is among the highest percentages of native labor in the Gulf area. All of our section managers and department heads are Bahrainis. Foreign labor is limited to the technical specialties which require special expertise. The percentage of Bahrainis in the company is expected to reach 90 percent in 1986. As I mentioned, our daily production capacity will reach 170 million cubic feet as opposed to 150 million cubic feet at present.

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BAHRAIN

HEAD OF LABOR ORGANIZATION INTERVIEWED

Al-Shariqah AL-KHALIJ in Arabic 18 Mar 86 p 14

/Interview with 'Ali al-Hammadi, chairman of the General Committee of the Workers of Bahrain, by 'Abdallah Khalifah; date and place not given/

/Text/ The General Committee of the Workers of Bahrain is considered the sole elected labor organization of Bahrain. The labor union movement has had a very limited history in the country, despite the emergence of the Bahraini working class in the early 1930's as a modern class associated with the oil industry and the other new industries. This class tried to defend its interests in various ways, including the formation of its trade union organization.

The state recently permitted the formation of the general committee as a labor organization with its own well defined legal and social framework.

In the following interview, 'Ali al-Hammadi talks to us about this committee and its varied activities.

Organizational Form

'Ali had the following remarks with regard to the committee's organizational and legal structure:

"When we talk about the General Committee of the Workers of Bahrain and its organization we must point to Ministerial Decision No 9 of 1981 issued by the Ministry of Labor and Social Affairs. This decision called for the formation of eight joint committees in the large industrial installations. This was followed by Decision No 10 of the same year, which authorized the formation of the General Committee of the Workers of Bahrain. The committee was formed on 8 February 1983, and the first general committee was elected for a period of 2 years.

"This committee is strongly linked to the elections that take place in the installations. The election of the joint committees takes place every 2 years, and the members of the general committee are replaced by the same election.



"All the elected workers on the joint committees convene a general assembly which elects 11 members to form the General Committee of the Workers of Bahrain.

"In other words, there are 8 organizations each of which elects 5 workers for a total of 38 members in the general assembly. The positions are assigned at the first meeting of the committee.

"Each worker has the right to cast his vote to elect the members who participate in the joint committee. He also has the right to nominate, whether he is a citizen, an Arab, or a foreigner. He must work in the installation, be at least 25 years of age, and be employed in a position below that of manager.

"The first term ended in January 1985 and the second term began. A new committee was elected on 13 February 1985. Four new committees were added to the previous 8 committees, and the general assembly is now comprised of 54 members.

"Committees exist in all of the following companies: Bahrain Petroleum Company (BAPCO), Bahrain Aluminum Company (ALBA), Bahrain Telecommunications Company (BATELCO), Bahrain Aluminum Drawing Company, Gulf Air, Denmark-Bahrain Dairy Company, Bahrain National Gas, and Bahrain National Oil Company (BANOCO).

"The basis for this activity is the existence of the so-called joint committees. These committees are comprised of representatives of both capital and labor who meet together on a regular basis. The particular situation of the major installation plays a role in the organization of the joint committee. In some of the big companies, branch committees are established in the separate parts of the installation.

"The role of the committees is to relay complaints, settle disputes with the employers, organize current services, raise the social standard of the workers, work to raise wages, and participate in increasing and developing production.

"Upon their formation, the joint committees are responsible for drafting by-laws to regulate meetings, voting procedures, and the committees goals. These by-laws are then sent to the Ministry of Labor for its approval.

"The general committee came into existence on 8 February 1983 and undertook the task of drafting the constitution of the General Committee of the Workers of Bahrain. The preparation of the constitution took a long time, and exhausting efforts were made to draft a constitution representing all the viewpoints that are involved in carrying out the responsibilities of the labor organization. The constitution was finally approved in November 1983.

"As for our financial resources, they consist of monthly dues paid by the workers of only those installations which have joint committees, as well as donations and contributions provided by the Ministry of Labor."

#### Big Goals, Small Achievements

With regard to the goals, ambitions, and accomplishments of the general committee, the chairman of the committee commented as follows:

"The committee has big ambitions. We specified this in the goals that we formulated. We are working for the advancement and development of the labor organization so that it can rise to the standard specified for labor organizations by Arab and international agreements.

"In addition, we are working to uphold the rights and interests of the workers of Bahrain and to improve their working conditions and terms. We are also endeavoring to raise the standard of health and occupational safety, improve the workers' cultural and social level, provide legal representation for the workers, and settle labor disputes with the installations in which we are active.

"Given our resources and the circumstances surrounding us, we have tried to do something to represent the domestic worker and solve his problems. On the domestic level, we have joined several important councils and have tried to put forward our point of view. These have included the General Social Insurance Organization, the Higher Council for Training, and the Higher Council for Labor Services.

"These councils are made up of three groups: the state, the employers, and the workers. We have also joined several secondary councils, including the National Committee to Eliminate Illiteracy.

"The general committee is represented on the Higher Council for Vocational Training by four members. Through their presence on the council and in their plants, they try to apply and develop the 10,000-trainee plan and present various considerations involved in the accomplishment of any training plans.

"In addition, we have participated in another committee, namely the Committee for the Employment of National Labor. The work of this committee takes place in the field, including both the collection of statistics pertaining to the field of training and efforts to replace foreign workers with domestic labor.

"The General Insurance Organization plays a prominent role in the lives of the workers. The workers' representatives in the organization have adopted the viewpoint of the majority of the workers and have put this viewpoint forward in the form of recommendations to the council pertaining to such subjects as industrial accidents, retirement pay, and the provision of certain concessions to holders of insurance.

"In addition, there is an earnest effort to stimulate cooperation between the general committee and the insurance administration in order to provide a good insurance situation for the workers. We have prepared a paper containing recommendations which we submitted to the council with a request for approval.

"There is a basic problem that we are trying earnestly to solve. This is the question of putting unemployment insurance into effect. I believe that there is an urgent need for the insurance organization to draft legislation to deal with unemployment. The aim of this is not to create artificial unemployment but to improve the situation of the workers. The organization is responsible for paying a monthly stipend to an unemployed individual from funds he is entitled to, based on the daily expenditure of a Bahraini family consisting of an average of four members.

"This does not prevent the stimulation or creation of a plan of action with the Ministry of Labor aimed at providing employment opportunities for the unemployed worker in order to keep the period of unemployment to a minimum, which will be reflected in the worker's insured income.

"We are requesting the formulation of plans of action on the basis of the right of unemployed workers to have suitable employment opportunities. I believe that, at the current time, there is an urgent need for insurance against unemployment, especially after the recent wave of worker layoffs. The General Insurance Organization should take into consideration the sudden events that affect the labor market in order to draft specific regulations to protect the worker in his circumstances of employment from unemployment and dismissal.

"The fact is that under the present circumstances the worker does not benefit at all from his insured income, which means that his current needs are neglected, not to mention his future circumstances.

"The objectives of social insurance must be expanded to provide certain benefits to the insured which will serve his housing and family needs. It is not sensible for the funds of the organization to remain earmarked to pay certain sums after the occurrence of industrial accidents or the attainment of old age. What is the difference between this organization and any insurance company with which a worker insures himself?

"In addition to this, the general committee has presented several proposals aimed at simplifying certain measures for the families of workers who suffer industrial accidents, or are disabled, or quit work. We have also submitted a proposal stating that the worker should know the sums deducted from his pay and the contribution of his organization.

"We want there to be coordination between the general committee and the insurance organization to accompany the wave of layoffs through the establishment of investment organization projects and the provision of reserve and replacement job opportunities. This would take place through the Ministry of Labor.

"The general committee has also worked to eliminate illiteracy among workers, participating in the various committees for the elimination of illiteracy. After the Illiteracy Elimination Administration issued its positive decision opening up opportunities for combatting illiteracy in the workplace, we became more active in fighting illiteracy among workers. This decision reduces the number of workers who slip through the anti-illiteracy program because workers on the shift system cannot continue to go to their normal schools on a permanent basis. The provision of opportunities to overcome illiteracy in the plants significantly reduces the number of workers bypassing the program.

"Our information committee has put up posters encouraging workers and the management of the installations to provide opportunities in the workplace. This will be reflected positively in the quality and productivity of the worker.

"With the first term, we began to join the workers of the world in celebrating their holiday, 1 May. The first celebration we held on this occasion which is so dear to the hearts of the workers was very simple and humble. However, the second celebration was expanded and received more emphasis. On this occasion we called for the solution of many of the pending problems of the workers, and we hope that future celebrations will involve greater masses of people."

#### Relations and Activities

Concerning their accomplishments in foreign relations and the cultural fields, 'Ali Al-Hammadi said the following:

"The committee has worked to broaden its foreign relations and its participation in Arab conferences. We have participated in Arab and international labor organizations, and the members of the committee have made contributions to important committees such as those pertaining to health, occupational safety, the application of agreements, and social insurance. We have also participated in seven sessions of the World Culture Institutes in Baghdad, Sudan, and Morocco, and we participated in conference of the Workers Union of Iraq in 1984 and the 10 regional Asian conference of the International Labor Organization.

"In the cultural fields, we drafted a plan of action consistent with the resources of the labor organization. We began by issuing an overall instructional publication, in addition to establishing a workers library at our headquarters. We maintained strong cooperation with the national associations and the Arab labor institutes to provide publications pertaining to labor.

"We have obtained approval in principle to publish a general workers publication, and we hope to complete the study on this project and present it to the responsible agencies for approval.



"We have launched an effort aimed at organizing domestic sessions and conferences either at our headquarters in cooperation with the other national associations, or in the place of work, insurance, training, or other activities pertaining to labor."

#### Problems, Problems

With regard to the obstacles that face the general committee and the problems that hinder the development of unionized labor, the chairman of the general committee said the following:

"The main obstacle that stands in the way of unionized labor at the present time is the viewpoint of the employers, who have taken a negative position on the labor representatives. The most prominent example of this is the refusal of the employers to make labor celebrate 1 May in their installations.

"The fact is that the managements that participate in the joint committees put forward representatives who are devoid of any power and authority to make decisions on the matters that are discussed and approved. Therefore, the joint committee that arrives at a recommendation must resubmit it to the managements of the installations for approval. This means that the recommendation must pass through many offices and may get lost without any problems being solved.

"The problems that face the committee include its lack of information media. It does not have an organ, or a means of propaganda, or any records of public opinion, which weakens our existence.

"With regard to wages and improvement of the workers' standard of living, one of the first concerns of the committee was to draft legislation establishing a minimum wage which takes into account price fluctuations.

"In the past, the committee prepared and proposed a campaign calling for a minimum wage and the right to work. The right to work is considered a basic demand that, when put into effect, will protect the worker from unemployment. This right is consistent with the ministry's plan to provide a thousand jobs per year for groups entering the labor market.

"One of the major problems of the committee is that its members do not have much time. They are tied to jobs and work circumstances that may be incompatible with their voluntary work. We here are not free from our jobs, rather the members of the committee must pay attention to their work circumstances.

"The successes of the committees vary from one installation to the next. However, it is sufficient in my opinion that the joint committees work through the available channels to inform management about the problems and needs of the workers.



"Perhaps some of the committees have succeeded on issues such as the social allowance and its payment to workers when they come on the job.

"However, in view of the negative position of the employers, it is enough to acknowledge the percentage of voters in the election of the second term. The number of votes decreased considerably and acceptance of voting and nomination declined, in contrast to the figures in the first term. This is entirely attributable to the fact that the employers have not placed importance on the joint committees and their decisions and effectiveness. There is sometimes dislike on the part of the employers' representatives toward the labor representatives. We hope that these conditions will change and that the general committee will assume a bigger role in life."

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IRAQ

BRIEFS

IRAN-IRAQ WAR INTERVIEW--Kuwait, June 25 (KUNA)--"If Iran's oil exports drop below a million barrels a day, Iran would become politically isolated and lose its ability to arm itself," said a senior Iraqi official Wednesday. In an exclusive interview by local daily newspaper AL-SIYASAH First Deputy Premier Taha Yasin Ramadan said if the Iranian economy collapses, Iran will have no political influence. RAMADAN, who is also a member of the revolution's command council, maintained that "Iraq's economy is in a stable condition" and foreign countries, consequently, do not fear to deal with Iraq. The right hand man of Iraqi president told the newspaper's editor-in-chief Ahmad al-Jarallah that the Syrian pipeline is no longer important because Iraq had been carrying out new pipeline projects in Turkey and Saudi Arabia. The Iraqi official affirmed that the key to end of war is no longer in Syria's hands, a fact which has been shown after the al-Faw battles, charging that Syria's "only role lies in disrupting Arab unity." Despite the 6-year-old war, Iraq's development projects have been amazingly increasing, Ramadan said. [Text] [Kuwait KUNA in English 0800 GMT 25 Jun 86 LD] /8918

CSO: 4400/206

LEBANON

RELATIONS WITH SOVIET UNION DISCUSSED

Paris AL-MUSTAQBAL in Arabic 31 May 86 pp 22-23

[Article by Ghassan Bayram: "Amin al-Jumayyil Soon To Be In Moscow"]

[Text] The secretary general of the Lebanese Foreign Ministry, Ambassador al-Tarak says that in the context of his negotiations with the Soviets, he touched upon the existence of a change in the Soviet position on Lebanese problems and that he felt this when he cautiously brought up the subject of the Soviet position concerning the prolongation of the international emergency forces in Southern Lebanon. An important Soviet official immediately said to him: "Before, our position on this matter was against the implementation of Resolution 425 and against the role of the United Nations. When we were cautious and abstained from voting in the Security Council, the reason was that we were eager to preserve the conditions of the Palestinian opposition forces' presence in Southern Lebanon and that was because you, the Lebanese, were not asking for anything from us. Now, however, you may request whatever you wish and we are prepared to study the request."

The apparent sudden change in the Soviet position startled observers when Moscow announced that it would consent to Resolution 425 and to the prolongation of international emergency forces and that it would participate in paying the expenses of these emergency forces, the cost of which adds up to \$10 million. This is to compensate for the deficit that occurred as a result of the United States' refusal to pay its share.

Moscow went further than this when it announced its official willingness to have Soviet troops participate, and not just troops from allied socialist states such as Poland and Rumania. These would replace any French or international troops that were withdrawn from the international forces.

Major Lebanese sources reveal that this about-face in the Soviet position in favor of Lebanon has had a great influence in making all the countries involved in the situation in the South reassess their position. The United States hurriedly announced its desire to review its decision to halt its financial participation in the expenses of the international forces. France, which had begun preparations for withdrawing its unit participating in the international forces from Southern Lebanon, froze its decision and announced that its troops would remain in the South.

This Soviet position may have played a part in Israel holding up its plans, to which the United States had agreed and which it had been decided would be implemented after the stratagem of getting the international forces out of Southern Lebanon had succeeded. Furthermore, this Soviet position played a principal role in the reemergence of Resolution 425 and reliance upon it as a basis for a solution to the problem of Southern Lebanon and for ending the Israeli occupation there.

One of the results of this Soviet position was that the success of the Israeli stratagem was limited to the "flight" of the international forces from the South and Israel felt that new horizons had appeared for the possibilities of reaching an international solution to the problem of Southern Lebanon. The emergence of such possibilities had regional and domestic repercussions on the course of the crisis in Lebanon and this helped to create a new climate in which the calls for a military settlement would fade away and in which positive positions would emerge that would crystallize in a new agreement that Syria would abide by and that both Moscow and the Vatican would bless. Local observers believe that we must wait a while until current external contacts have matured and produced a new movement toward the solution of the Lebanese crisis.

For the first time a belief prevails among officials and the political leadership that President Amin al-Jumayyil is no longer only betting on American and European assistance to remove the complexities that dominate the Lebanese crisis, and that he has begun to feel confident that the Soviets will assist him and that they will play a positive role in this area, when certain international conditions occur for this.

The Soviet administration has taken a big step toward strengthening its relationship with the Lebanese president by appointing a Soviet ambassador to Lebanon, Mr Vasily Ivanovich (Kolotusha), because this choice is considered tantamount to a positive political position toward President al-Jumayyil. This is because the new ambassador was an old personal friend of President al-Jumayyil many years before he became president of the Republic.

Before he became the ambassador for his country in Lebanon, Mr (Kolotusha) was a senior official in the Soviet embassy in Beirut. During the first years after the Lebanese events, (Kolotusha) was charged with being the sole link between the embassy of his country and the staff of the Phalange Party for exchanging views and opinions, despite the fact that the Soviets were opposed to the Phalangists and allied with their enemies in this war. He established a close personal friendship with Amin al-Jumayyil, which both of them maintained, until (Kolotusha) was transferred from Beirut and Shaykh Amin al-Jumayyil was elected president of the republic.

Despite the course of events in the Lebanese arena before and after the Israeli invasion in 1982 until the May 17 agreement and the international environment surrounding it, Moscow retained its belief that the Lebanese president, Amin al-Jumayyil had moderate ideas and that it was possible to reach an understanding with him. In return, President al-Jumayyil did not once believe, especially during the last 2 years, that Moscow's doors were

closed to him. Therefore, he believed, after the experience of the American role in the May 17 agreement, that it was not in Lebanon's interest to remain completely open in its relations with the West, without there being some kind of balance in its relations with the Soviet Union. Since that time, he has decided to work on developing relations with the Soviets, especially since the Soviet Union, as a super power, has its role and influence on the region and on the Lebanese crisis in particular. He decided to support the convocation of an international conference on peace in the Middle East with the participation of the two super powers and began to head towards working on a rapprochement with the Soviets, emphasizing the entrenchment of Lebanon's policy as a state belonging to the non-aligned movement. President al-Jumayyil availed himself of the occasion of the death of the late Soviet leader, Chernenko, and decided to go in person to attend the funeral, to present his condolences, and to take the opportunity to contact the new Soviet leadership and hold meetings on the Lebanese situation and relations with Moscow. As is known, the president had packed his bags in preparation for the trip when he was caught by surprise by the first uprising of the Lebanese troops. He deemed it wise to remain and not to travel after doubts about the goals of this uprising emerged, an uprising which it was said aimed at effecting a wider coup d'etat against the president, occupying the presidential palace, and announcing his dismissal while he was in Moscow.

However, the idea of going to Moscow remained fermenting in the mind of the president of the republic. Finally, almost 2 months ago, he expressed his desire to make this trip and preparatory contacts between the Lebanese and Soviet capitals were made. As a result of these contacts, Moscow decided on the necessity of a postponement, when it saw that the international climate would not favor them. Moscow informed President al-Jumayyil that there was an American assault on the region, that this American movement had deprived the visit of some of its importance and effectiveness and might make it difficult to issue a joint communique, and that it, Moscow, did not want the Lebanese president's first visit to the Soviet not to yield positive results and not produce a joint communique.

After the appointment of new Soviet Ambassador (Kolotusha), the presentation of his credentials to President al-Gemayel was accompanied by extraordinary manifestations of tribute. This was followed by a private meeting between the president and the ambassador. After this, information issued in the press and attributed to a diplomatic source anticipated that Soviet-Lebanese relations would witness positive developments that would lead to the greatest cooperation between the two countries.

It was a surprise the following day when the new Soviet ambassador departed for Moscow 24 hours after the presentation of his credentials. His sudden departure was accompanied by various interpretations, some of which called for waiting for developments in the level of contacts between the two countries.

Official sources regarded as unlikely the possibility that events would reach the stage of the signing of a treaty of friendship between the two countries because the issue, as these sources said, was not raised by either the Soviet



or Lebanese side. The important thing that these sources revealed was that it was expected that President al-Jumayyil would make a trip to the Soviet Union in the near future and they said that diplomatic contacts had already begun to study the possibility of announcing the dispatch of an invitation from Soviet leader Gorbachev to President al-Jumayyil. Then, the announcement of a date for the visit would be subject to further contacts.

Naturally, the question is now: To what extent will this Lebanese-Soviet rapprochement and the first trip of a Lebanese president to Moscow in this climate upset the Americans? Some observers believe that this matter might not upset them, especially since the prevailing belief is that the umbrella of international harmony has begun to advance gradually to Lebanese skies.

13292/12948

CSO: 4404/338

LEBANON

SSNP VICE PRESIDENT 'ABDALLAH SA'ADAH ON METN, PARTITION

Beirut MONDAY MORNING in English 5-11 May 86 pp 18-21

[Interview with 'Abdallah Sa'adah, SSNP vice president, by Reem Drouby]

[Text]

**Do you think the situation in the Metn will remain as it is, or will there be attempts to gain strategic military positions?**

The military situation in the High Metn is a result of the military coup in the eastern region led by President Amin Gemayel and the Lebanese Forces against their former chief Elie Hobeika. This coup was not mounted out of a personal hostility towards Hobeika, but represented a political position against the tripartite accord which we had hoped would end the Lebanese war of attrition. As a result of this military coup, the Metn front, which had been quiet except for some known incidents, flared up. The question now imposing itself is why has this front been active for the last three months, whereas other fronts are generally calm, with the exception of intermittent fighting on the demarcation lines?

If we look into the answers given by the Phalangist Party, the Lebanese Forces, the Lebanese Army, the Syrian Nationalist Social Party (SNSP) and its allies, we find they greatly contradict each other, since each side puts the blame on the other. However, I would like to stress one point, namely that I, as the (editor) of the (SNSP) radio station, was personally contacted and asked to cool this front and end the fighting there. The SNSP does not wish to create a new demarcation and attrition line, since that would not help in anything, so I agreed to the demand and informed the military officials of their obligation to respect the ceasefire. The message was broadcast in clear simple words, not coded, and I meant it to be so, so that anyone listening to our station could understand it. Our comrades respected the ceasefire, but the Lebanese Army and the Lebanese Forces stationed on that front did not, and tried to infiltrate our lines and gain advanced military positions. In these circumstances, our comrades had to intercept the infiltrators. An official of the Lebanese Army blamed our elements for violating the ceasefire, so the SNSP president and myself went personally to the Metn, but only to see the irrefutable

proofs that those violating the ceasefire were the Lebanese Army and Lebanese Forces. The front has been active since that date, and anyone who visits the region and sees the damage in Shweir, Dhour Shweir, Kinshara and other High Metn villages will be astonished to find out how the army of a country can go about destroying whole villages intentionally.

This programmed destruction is aimed at displacing the residents of the High Metn and harming our forces and party. We had no choice but to retaliate, but since such action goes against our principles, we called for an end to it. In my opinion, the Lebanese Forces and Army are activating this front for military reasons and to protect the Christian canton against any interference from the outside. This position complies perfectly with the goals of the military coup against the tripartite accord which aimed at ending the war in Lebanon.

**Most security measures have failed to restore law and order to West Beirut. Can you suggest any means to curb the lawlessness there?**

So much has been said about lawlessness in West Beirut, and all for sectarian political purposes. West Beirut and the southern suburbs actually house more than one million people who have been through an eleven-year war and have been subjected to violent shelling of their homes by the Lebanese Army. Such an ordeal is bound to leave traces on the population, but despite all of this I am proud of the ethical, social and moral values of our people in general, and of the residents of West Beirut and the suburbs in particular. For if only one per thousand of these million people is a criminal, a thief or an agent, the crime rate is bound to be high. But I can tell you that the percentage of criminals is lower than one percent, and a people that is 99.5% honest is a respectable people. Therefore I urge all those who criticize the state of lawlessness in West Beirut to acquire some notion of social sciences and stop making irresponsible judgements. Of course, we are disturbed by the number of criminals, minimal as it may be, but at the same time, we are proud to claim that the conspiracy aimed at the Lebanese has failed to infiltrate all sections of this noble people. Most of the criminals are but tools in the hands of factions outside and inside Lebanon that conspire against this nation.

I hold the head of authority, the regime and the Lebanese Army responsible for the lawlessness in West Beirut, for had they not gone against the Syrian-brokered tripartite accord, we would not be suffering from such lack of security now. Still, we are today on the dawn of a new era of social and political reconstruction of Lebanon.

Anyone visiting the High Metn villages will be astonished to find out how the army of a country can go about destroying whole villages intentionally.

**Has the Syrian position towards President Amin Gemayel changed, and if not how can the Lebanese problem be solved as long as relations between the two regimes are suspended?**

Whether Syria has changed its position towards President Gemayel or not is a question that should be addressed to the Syrian leadership, and I cannot allow myself to answer it myself.

However, if you are asking whether the national progressive forces in Lebanon are opposed to President Amin Gemayel's policy, then my answer is a sure -yes.- For it was President Gemayel himself who led the coup against the tripartite accord, justifying his action with a number of superficial excuses.

There is a conflict between two forces: a Lebanese, national, democratic, progressive force committed to a national Lebanon, and by this I mean to stress on Lebanon's Arabism, and a force that in its historical affiliation to outside countries such as France, the U.S. and now Israel. We cannot accept such a policy that goes against the interests of Lebanon, its dignity, sovereignty and true independence.

Statements against partition are irrelevant. The closure of crossings, the Barbara checkpoint and Halate airport are all partitionist steps.

**Dany Chamoun said the opening of Halate airport was an urgent necessity and does not constitute a partitionist step. Do you agree?**

Dany Chamoun's statement cannot be considered, for his relations with Israel is well-known, and his alliance with our national enemy is clear. You cannot ask an ally of Israel about his opinion about partition. Partition is the major goal of the the Israeli strategy, and Dany Chamoun is actually implementing this policy. He is selling Lebanon to the foreigners, and all his statements against partition are but a libel. What really counts is practice, not words. The closure of crossings between East and West Beirut, the Barbara checkpoint, the shelling of West Beirut, the escalation of the High Metn front. Hamat airport (north of Batroun) in the past and Halate airport now are all partitionist steps. But the sectarian canton in the eastern region, limited in space and capacities, cannot divide Lebanon, because the Lebanese people refuse partition and are ready to struggle for another ten years to prevent the division of their country. By combatting partition we are serving first our national interest, second our greater Arab interests, and thirdly our war against the Israeli enemy which plans to acquire our land and displace the Lebanese people from their nation, indeed all the people from the Nile to the Euphrates.

I am confident the era of Israeli hegemony and military superiority in the region is drawing to a close.

**Do you expect any Israeli or U.S. military action against Lebanon and Syria, and has Syria taken any measures to confront such an attack, should it take place?**

We do not differentiate between the American imperialist policy and the Israeli policy in the region, for Israel is the regional America, and the U.S. and Israel as one, two-headed monster and enemy. I am in no position to discuss the military measures adopted by Syria to confront such an attack, but I know we can rely on the steadfastness of the Lebanese people who stood against the Israeli invasion and forced the Atlantic powers out of Lebanon, as it has forced Israel out of the greater part of our occupied South. If we in Lebanon have succeeded in thwarting the Israeli ambitions, what should we not expect from our people in Syria, who was born and educated according to the principles of Arabism and nationalist beliefs? I am confident the era of Israeli hegemony in the region, the era of Israeli military superiority is drawing to a close.

**Do you think the election of Patriarch Nasrallah Sfeir as head of the Maronite community will contribute to solving the Lebanese problems?**

I have said before, and I repeat here that there are various indications that the leaders in East Beirut have started to realize their incompetence and are now passing their responsibilities to the patriarchal seat. In this light, if Bkirji becomes the decision-making center of all political forces in that region, it would be able to propose itself as a new negotiator in East Beirut. I know Patriarch Sfeir personally, and I am confident he is well qualified for his post. However, I belong to a non-sectarian party that advocates a separation between state and religion and the abstinence of religious leaders from political involvement. But that is my opinion and that of my party, and we have no right to impose it on anyone. And since, in Lebanon, the seat of the patriarchate has both a religious and a political role, we hope Patriarch Nasrallah Sfeir will be able to serve Lebanon and guide the Maronites and Christians towards true nationalism within a democratic context that takes into consideration Lebanon's nationalism, Arabism and the respect of its sovereignty and independence.

**The Lebanese Forces recently freed 33 detainees, saying it no longer holds anyone in its jails, and an Amal official told *Monday Morning* there are no kidnapped in West Beirut. Can you comment on these statements?**

The freeing of 33 detainees or kidnap victims held in East Beirut is a painful development, especially as statistics say that around 3,000 people are held in East Beirut jails. What has happened to the rest? Are we to assume they were massacred in mass? Can we keep silent about such an ugly, barbaric crime? Otherwise, where are the thousands of kidnap victims? We are very worried about their fate,



especially as those who were freed told us that they know of a large number of people still held in the eastern jails. And who should I believe, the prisoners who shared their food with their fellow-detainees and knew how many they were, or the political statement issued from East Beirut? As to what Amal has said about there being no kidnappers' victims in West Beirut, it applies only to Amal.

**But the Amal official told us he was speaking on behalf of West Beirut, not just the Amal Movement...**

I am not willing to discuss such a statement. I do not know if Amal has any prisoners, but I can tell you that we, the SNSP, are detaining certain prisoners who have committed crimes against our comrades. We do not have many prisoners, but we have a few, and we are in West Beirut... Our prisoners enjoy good humanitarian and health care, because the way a prisoner is treated reflects the morals of his keeper, not that of the prisoner himself. We have freed three of these detainees recently, but not as a response to the Lebanese Forces move, but rather because they had committed no major crime. We have more prisoners, and we are holding on to them because the East Beirut jails still house a large number of prisoners who we know by name. We now call on the officials there to inform us about the fate of the kidnapped. If they are still held there, fine, we can start negotiating about an exchange. But what if they have been massacred? If this has been the case, we hold those officials responsible, for whoever kills a prisoner is a vile coward.

I am proud of the ethical and moral values of the residents of West Beirut. If only one percent of these million people is a criminal, the crime rate is bound to be high.

**There are rumors of an expected Israeli-Syrian military confrontation. Should this take place, what will be the repercussions in the region generally, and in Lebanon in particular?**

We are living in constant expectation of battles with the Israeli enemy, because the policy of that state, since it was first established, is based on crime, enmity, expansion and violation of rights. No honest neighbor of this criminal enemy can live in tranquility and peace of mind. But Israel is not a historic state in the region. Border conflicts are natural between neighboring, historic states. But no one can conceive of coexistence with expansionist, racist Israel.

Personally, I consider that Israel has grouped all the ghettos in the world, ghettos that had refused to adapt to the rest of the people, and has transferred them to one large ghetto: Israel. But this ghetto, this foreign body in the region, cannot live. Israel can be compared to a cancer, a foreign tumor in an organism; you either remove it or it kills the organism. In this sense, our conflict with Israel is a rejection of a foreign body, and I am confident Israel will never be able to kill the Arab national organism. The fate of Israel in the region becomes thus like that of the Crusaders, foreigners who prospered here for 200 years, then left.

**How would you comment on the renewal of the UNIFIL mandate for only three months?**

The U.N. Security Council resolution calling for an unconditional Israeli withdrawal was invalidated by the U.S. and its European allies. And the international peacekeeping force, commissioned to help Lebanon oust Israel from its land, has failed because of the presence of the U.S. in the international body. In addition, France, which has historically called itself Lebanon's friend, was the first to withdraw its observers and call for a shorted mandate for UNIFIL. This shows that France has given up on the possibility of success of UNIFIL's mission, or that it has given in to the U.S. decision. In the final analysis, the only way to get the Israeli enemy out of our land is through our Lebanese national resistance. However, we are not seeking to belittle the political and diplomatic efforts of the world as we say this. ●

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CSO: 4400/174

LEBANON

NATIONAL LIBERAL PARTY CHAIRMAN DANI SHAM'UN INTERVIEWED

London AL-TADAMUN in Arabic 7-13 Jun 86 pp 15-16

[Article by Joseph Qusayfi: "Chairman of the Free Nationalists' Party Dani Sham'un to AL-TADAMUN: Lebanon Is Experiencing a Quiet Summer"; in Beirut, date not specified]

[Text] "We have realized your wishes and effected the content of what you wrote in AL-TADAMUN over a year ago." The chairman of the National Liberal Party, Dani Sham'un, accosted me with this sentence upon my arrival at his office on the fifth floor of the central party building in al-Ashrafiyah in East Beirut. This sentence as a key to this discussion with him which began with party matters and ended with the Lebanese crisis, which the chairman of the Free Nationalists' Party, who succeeded his father Camille Sham'un, the previous chairman, believes will witness a cold summer, not an inflamed one as many people expect.

After a presentation of the new party regulations and the return of the "youth" to the National Liberals which Dani Sham'un heads, AL-TADAMUN's questions and the chairman of the National Liberal Party's answers to them proceeded in the following way:

[Question] After 15 January, information concerning the restructuring of the military forces of the National Liberals was uncertain. Did the leadership of the Lebanese Forces oppose this?

[Answer] No. The Lebanese Forces did not object or oppose this. Basically, we do not wish to build a military force. We are repeating this for the last time because we have gotten tired of repeating it. The National Liberal Party does not have a militia, does not like militias, and considers that the Lebanese Forces have matured beyond the stage of militias. The Forces are an institutional organization, which may be developed within the new legitimate Lebanese system. The Lebanese Forces, as they are currently represented, are unfortunately a social necessity. God willing, the entire Lebanese system will develop and the Forces will develop, along with the rest of the militias, into a legitimate apparatus to protect the security of all of Lebanon.

[Question] Speaking of the development of the Lebanese system, do you believe that the united Christian program for peace will lead to understanding and a fruitful dialogue with the rest of the factions or will it be aborted in the cradle?

[Answer] The program is a nationalist program in every sense of the word that the Christians have devoted themselves to laying out. We will ask that all the Lebanese factions participate in it because it is for all Lebanese. It will proceed toward the discussion phase and will follow a legitimate path towards a Lebanese solution.

[Question] Will the Christian program be able to proceed if it does not meet with Syrian approval, considering the fact that the May 17 agreement failed because it ignored the Syrian factor and that the tripartite agreement failed regionally because it ignored the Israeli factor and internally because it ignored the Christian factor?

[Answer] The rejection of the May 17 agreement was imposed on the Lebanese and the tripartite agreement was not rejected, although there was reservation concerning it and demands for its amendment, because some of its clauses were universally rejected; it was not one faction that rejected these clauses but rather all Lebanese rejected them. Syria was behind the rejection of the tripartite agreement and it continues to reject its amendment, despite the fact that President Hafiz al-Asad recently talked about spirituality and some of the amendments. It is difficult to make amendments and preserve spirituality at the same time. This is what 'Abd-al-Halim Khaddam said and so he went back to cling to the entire text of the agreement.

Syria determined that we should stop work on the May 17 agreement after it had received the approval of every one of the legitimate Lebanese organizations. It is currently imposing on us the tripartite agreement. We have said: "Everything that is imposed on us will be rejected and what we have presented today is legitimate and we insist that it be legitimate. We will not impose anything on any Lebanese individual. We are a Lebanese assembly called a "Christian assembly," because the majority of its members are Christian. We would like to discuss this concept with the rest of the Lebanese factions.

[Question] How can there be a climate permitting this program to take off as long as the crisis between you and Syria continues and the exchange of campaigns does not stop?

[Answer] You ask this as if we are enemies of Syria. We are not enemies, but we are in a democratic country whose people are democratic. We begin with our democracy and freedom of speech. We criticize any politician and engage any politician in discussion. So, either we encompass the majority and begin with it democratically or we lose in the political game. This is the method of action in the program and this is our method of opposing Syrian policy. We begin with freedom and democracy, which are the spirit of our life and the spirit of the whole Lebanese people. We are not a people that is governed dictatorially. We are a people that stops and discusses respectfully and freely every issue laid before it.

[Question] There was a discussion of the mediation that King Husayn undertook by virtue of the friendship with you and with President Sham'un, to end the conflict between you and President al-Asad. Is this true?

[Answer] This did not occur in recent history, although contacts were made during 1976 and before to calm the atmosphere. We do not have a personal difference with President al-Asad or with anybody. There is a policy before us and we are responding with a program that we have created. We do not confuse policy and political differences with personal relations. Whatever does not suit me politically, I simply reject. I do not let a personal aspect enter into it. There is no personal difference between us and the regime in Syria. There is a discussion of its policy. We reject its current policy and the way this policy has been proposed.

[Question] The Syrians and their allies say that Dani Sham'un has behaved as Israel chooses. What is your answer to them?

[Answer] Everything that is said is a purely political ploy and propaganda that I consider extremely ridiculous. No one approves of this style. We are above these ploys.

In Lebanon there is a need for more seriousness in the interaction among politicians, without resorting to such methods.

[Question] Walid Junblatt had been positive for awhile and today is calling for battle. Is his call a maneuver and political pressuring?

[Answer] This is Walid Junblatt's version of the political future. We hope that he will reassess it. Lebanon does not need a battle but rather needs a period of calm, an end to the state of war, and progress towards a political solution. I hope he will change his opinion concerning this vision.

[Question] Is this position a result of Syrian pressures in your opinion?

[Answer] Ask Walid Junblatt.

[Question] Do the recent positions of Mr Junblatt obstruct the beginnings of a Christian-Druze meeting?

[Answer] You are talking about trivial matters, a Druze-Christian agreement, a Druze-Shi'ite agreement, a Sunni-Christian agreement. Lebanon needs a national Lebanese agreement among the Lebanese.

[Question] We are not discussing a Druze-Christian agreement from a trivial angle, but for the sake of solving the Jabal issue and returning the refugees to it.

[Answer] I have already said that the Jabal problem is not a Druze problem, but a domestic political problem in Lebanon that will end with the end of the current situation in Lebanon.

[Question] This means that if you are waiting for the arrival of a political solution, the return of the refugees is far off?



[Answer] God willing, you are mistaken. I believe that you are mistaken.

[Question] You had extensive relations with the other factions. Have your contacts with them continued since the events of 15 January?

[Answer] I do not have contacts with another faction. I have contacts with all Lebanese. There is a Lebanese political arena for the sake of Lebanese political action to end the current situation in Lebanon and to reach a political reorganization of Lebanon in the future so that it will not be exposed to external shocks. As far as we are concerned there is no other faction. There are Lebanese politicians and we are working with them. Indeed, we are entering into a partnership with them for the sake of ending the situation in Lebanon. We reject separating ourselves from any Lebanese.

[Question] Are the Christian ranks currently satisfied with the style of their unity and cohesiveness or is what is bringing them together temporary alliances subject to reverse?

[Answer] The current situation in the eastern sector, whether in regard to internal security or in regard to the political vision of ending the Lebanese crisis, is more harmonious than it was.

[Question] Is President Sulayman Franjiyah part of the circle within which you are working?

[Answer] President Franjiyah is not at all outside the circle. God willing, the vision that we are currently proposing and preparing is close to his vision. In any case we are waiting for his criticisms on the subject.

[Question] If the Patriarch Sufayr decided to introduce some changes into your program as a result of his meeting with the concerned factions, would you be willing to agree to these changes?

[Answer] We would undoubtedly deliberate this matter. The Patriarch is not a dictatorial person. We would discuss everything with him and come out with a result.

[Question] Are you satisfied with both the public and private actions that Bkirki [palace] has undertaken?

[Answer] Very satisfied.

[Question] How would you describe the current regional situation, especially between Syria and Israel.

[Answer] First, the situation is ambiguous and inconsistency further confuses it. Second, the material and equipment that Syria has amassed in the Western Biqa' have not reached a degree to create tensions and push it toward a direct confrontation with Israel. The situation is the same in the Golan.

Third, the Soviet-Syrian friendship treaty obligates Moscow to oppose any attack aimed against Syrian soil by any external forces. Thus, it is unlikely that the United States would risk launching a military attack of any kind against Syria, for fear of confrontation with the Soviet Union. However, Damascus is calling for a clear position on terrorism and the hostage issue. What has happened in the Ba'labakk region will not satisfy the desire of the West, which demands practical and effective steps.

Syria cannot strike Hizballah because of its ties and alliances with Libya and Iran. Likewise, it is completely powerless to cope with security and stop the extremely dangerous deterioration in the western sector of Beirut. It cannot fulfill the wishes of the Soviet Union, the first of which is receiving Abu 'Umar and beginning a new dialogue with him. Syria is in an embarrassing position and is living in an unenviable situation. Its seriousness in cooperating in the hostage issues is being tested.

[Question] The leaders of the Palestine Liberation Organization have announced that their armed forces have returned to Lebanon, especially to the South, and that the organization will again come to gradually occupy its former position. Is this true or is it a kind of propaganda maneuver?

[Answer] I believe that the Palestinian organizations would be committing a great error if they returned to follow their former policy in Lebanon and continued their propagandistic clamor. Does the PLO need such a propaganda campaign to effectively recover its role within the Palestinian ranks and to induce the concerned factions to work with it for the sake of solving the crisis of the region?! But the affair is different with respect to the citizens of the South.

There are Palestinian officials who have said in Tunis that Lebanon paid an enormous price for the sake of the Palestinian cause and that what it paid was many times more than what any other Arab country paid. Does it have to continue to pay this price for the sake of political maneuvers that are not really effective, either for peace in the South or for opposing Israel on its territory?

[Question] What is the significance of the opening of President Amin al-Jumayyil and the leaders in the eastern sector to the rest of the Arab states?

[Answer] It is a re-directing of foreign policy and returning it to fundamentals. Lebanon never favored a particular Arab sphere of influence or camp and there is nothing to prevent it from being open to all the Arab countries. It is a member of the Arab League and the initiative of President al-Jumayyil in his trip to Tunis, his exchange of letters with Egyptian president Husni Mubarek, and his willingness to complete his Arab tour all aim at strengthening this re-direction and correction of the fundamentals and returning them to the openness that existed before.

[Question] Are there contacts between you and the Soviet Union?

[Answer] There are permanent contacts with the embassy of the Soviet Union and there is constant consultation over the Middle East situation and the Lebanese question. It is rather difficult to ignore the Soviet Union and its role.

[Question] Is it true that the Soviets advised you to review your regional policy with respect to your opposition to maintaining contact with Syria and the PLO?

[Answer] No. We have our political vision and we are eager to be in contact with all the factions inside and outside Lebanon. We are not against anyone. If there was something we considered counter to our political views, we would express our point of view on it.

[Question] The current American position toward Lebanon has two interpretations: the first is against terrorism only and not in the interests of Lebanon. There are those who view the two issues as one. What is your opinion?

[Answer] We are against terrorism. We cannot ignore the position of Lebanon, as it is today, as the central launching point for terrorist acts. We are with anyone who aids us in putting an end to it because terrorism damages our honor as Lebanese since we are treated abroad as criminals. We will clasp hands with anyone who aids us to end this abnormal situation and to eliminate terrorism.

[Question] This means that you consider that a strike against terrorism reflects positively on Lebanon?

[Answer] Of course, and benefits all of Lebanon.

[Question] Will the situation this summer be inflamed according to your information?

[Answer] God willing, no. Let us go to the ocean, bathe and fish, dine in the mountains, cross into the western sector, head for the Shuf and to the South and then return to Tarabulus for dessert.

[Question] Are you sure?

[Answer] God willing.

[Question] Does this mean that there will be developments?

[Answer] Undoubtedly.

[Question] Will they be military or political?

[Answer] I hope that they will be political because military ones bring no result.

[Question] A tune of military action against the eastern sector has returned among Syria's allies. What do you think?

Here he took out a box of "Stop-ill" (sore throat pills), took one, and said, "Let them take a "Stop-ill" pill. It would be better than these threats and browbeating."

13292/12948

CSO: 4404/338

LEBANON

LEBANESE COMMUNIST PARTY IN 'CRISIS' SITUATION

London AL-DUSTUR in Arabic 26 May 86 p 25

[Article: "George Hawi: Switch or a New Split?"]

[Text] Sources closely connected with the Lebanese Communist Party and opposing party Secretary General George Hawi's actions have stressed that the party is faced with a very real crisis both at leadership and grass-roots levels. The sources believe that the time has come for changes in the politburo and the executive committee, and election of a new secretary general by reason of the political and ideological problems besetting the party in Lebanon and the Arab world. Contacts have been carried out at party level by the Soviets with those seeking change in an attempt to ensure that any such transformation is effected in a normal manner without a split that would be intolerable under present circumstances.

The Lebanese Communist Party was plagued with several violent rifts from the sixties through the seventies, the most serious of which involved a break away by a group now known as the Union of Lebanese Communists whose leaders include attorneys Nakhlah Mutran and Edmond 'Awn. Its main strength is concentrated in southern Lebanon and the Biqa'a-Ba'labakk region.

This was followed by a second split led by a group of extreme leftist students the better known of whom are Samir Hamid Franjiyah, Amin Rushdi al-Ma'luf, Ghassan Fawwaz and others. The group issued a bulletin called and later joined the Union of Lebanese Communists, from which they soon broke away to join the Communist Action Organization, headed by Muhsin Ibrahim and which also opposes the policies of the Lebanese Communist Party.

Coupled with those two movements was a third led by the Lebanese writer Nasib Nimr and several prominent members of the Central Committee, who adopted Maoist leanings, which trend, however, soon began to lose ground and disappeared from the arena of Lebanese partisan strife. Of all the groups that broke away from the Lebanese Communist Party, only the Union of Lebanese Communists remained, which itself joined the Communist Action Organization, Samir Franjeh quitting the party. Amin al-Ma'luf devoted



himself full time to journalism and Ghassan Fawwaz is now living in Paris removed from any political or party activity.

The crisis in which the Lebanese Communist Party finds itself is due to its very real estrangement from the national and social difficulties of the Lebanese, in addition to its playing a principal role in partisan strife, which led to the assassination of such prominent Central Executive members as Khalil Na'us, Suhayl Tawilah and leaders of party branches in the south and in the western Biqa'.

Members opposing Secretary General George Hawi accuse him of pledging the party's political will to the service of the Syrian regime to the extent that he can no longer back away from the inevitable downfall. He has stirred up widespread conflicts in many Lebanese regions. The same numbers stress that party officials in Moscow have accepted the opinion voiced in the report by Syrian Communist Party Secretary General Khalid Bakdash accusing Hawi of failure to maintain party unity and observe party regulations.

The true dimensions of the story of Hawi's removal from the Secretariat are now taking shape, following his recent visit to the Soviet capital where he was invited to take note of Communist Party resolutions and back off from his party-damaging policies that have alienated him from the current of national and pan-Arab affairs.

AL-DUSTUR can confirm that the most prominent likely successor to George Hawi as secretary general is politburo member Nadim 'Abd-al-Samad, despite the fact that Hawi had nominated Karim Muruwha, who Moscow felt would only continue George Hawi's policies.

There are other considerations that led Moscow to review Lebanese Communist Party policies, most important of which was Hawi's involvement in the conflicts and hostilities in Aden, where he sided with ousted South Yemen leader 'Ali Nassir Muhammad, which evoked question marks concerning Hawi's role and relations with certain regional and international forces.

Meanwhile, forces supporting Hawi have initiated political moves in party ranks. These forces share the views of the Syrians and consider that they could be harmed by any overthrow or retreat. Nadim 'Abd-al-Samad, on the other hand, is totally silent and rarely appears on the political scene or intervenes in the conflicts taking place, which suggests that his is a basic role in the take over.

On this basis, sources closely connected with the Lebanese Communist Party opposing George Hawi expect further conflicts in party ranks as attempts are made to ease the changes which, if not complete within the next 3 months, will lead to a split that will spell the end of what remains of the party.

13291/9190  
CSO: 4404/341

LEBANON

BRIEFS

PARIS EDITION OF AL-NAHAR--For the first time in the history of the Lebanese press, a Lebanese newspaper, AL-NAHAR, was published in Paris this morning simultaneously with its publication in Beirut. Thus, the Lebanese in France and throughout Europe will be able to read the very same papers as do Lebanese residing in Lebanon, thanks to satellites. [Excerpt] [(Clandestine) Radio Free Lebanon in Arabic 1045 GMT 12 Jun 86 NC] /8918

CSO: 4400/206

18 July 1986

PALESTINIAN AFFAIRS

PLO'S HALEVI: MIDEAST CHANGES, EASTERN ISRAELI ELECTORATE

Rabat L'OPINION in French 17, 18 Apr 86

[Interview with Ilan Halevi, PLO Representative for Relations with the Socialist International, by Khalid Jamai; date and place of interview not specified]

[17 Apr 86 pp 1, 3]

[Text] Ilan Halevi is a name that takes on special significance for those who have been following the Palestinian situation and the Arab-Israeli conflict.

A Palestinian Jew, Ilan Halevi was appointed Arafat's personal representative to the Socialist International right after the assassination of Issam Sartauoui in Lisbon.

Halevi is the author of several works on the Middle East conflict and also an expert on Israeli society.

L'OPINION wanted to interview him in depth. The interview that he granted us, and which we are publishing in two parts, deals both with the position of the Socialist International and the changing situation of the eastern component of Israeli society. The positions of major world powers on the Palestinian question and many other issues are also discussed.

Question: What do you have to say to Moroccan Jews?

Answer: To be honest, I wasn't expecting that question because I am a Jew in the sense that someone belongs to a community by birth. I am not religious. I lived in Israel as an Israeli citizen. Thus I was an Israeli from a legal and political standpoint. I left Palestine 10 years ago and have since been militating in the PLO's ranks, and I am a Jewish Palestinian.

Question: From an historical standpoint, there is nothing new about being a Palestinian Jew.

Answer: No, of course not. In my own case, my father was born in Palestine, which is to say that I consider myself an integral part of the Palestinian people, not only by choice but by my ancestry itself. Mine is also a

political choice. After militating against Zionism within the state of Israel for many years and following numerous skirmishes with the Israeli police, I had to leave and quite naturally found my place in the PLO.

As for Jews who have the intelligence and the wisdom to remain in Morocco, what I have to say to them, and what they perhaps already know, is that the state of Israel, which claims to speak for Jews worldwide, is certainly their worst enemy. It has been their enemy historically, by causing them to be uprooted.

It is still their enemy today, because by speaking for Jews worldwide the Zionist movement, embodied by the state of Israel, is transforming Jews the world over into hostages of Israeli policy. So what I would tell them is that their participation as citizens of the Moroccan nation and, more broadly, of the Arab nation, is a significant factor in the battle that we other Palestinians, Moslems, Christians and Jews are waging against religious denominationalism, against the denominational division for which Israel and the Zionist movement have been mainly responsible for promoting for several decades.

Question: Within the PLO, you are principally concerned with relations with the Socialist International and you have taken on the heavy legacy of Issam Sartauui. Haven't you noticed that socialist Europe is less supportive of the Palestinian cause?

Answer: It all depends on the period being considered. It is possible to speak of a certain decline of support in the last 2 years, but if we consider the last 10 years, certainly not. Ten years ago, the Socialist International was an entirely European-centrist organization that was concerned very little with Third World problems, decolonization, liberation movements and which displayed no openness concerning the cause and struggle of the Palestinian people. It is just within the last few years that some parties of the Socialist International, those of southern Europe on one hand and those of Scandinavian countries on the other, have begun to open up to the Palestinian problem. It is possible that in the most recent period there has been a decline of support because a large number of these parties are in power....

Question: That is why I asked the question. Because, indeed, the statements those parties made when they were part of the opposition changed when they gained power.

Answer: I don't think you can say that. Because if we consider the French PS [Socialist Party], for example, its most progressive positions were taken after it gained power, that is, during its first two years of power.

Question: But after those two years?

Answer: There was a decline of support. But that was not related solely to the exercise of power but to a set of domestic, European and international political factors.

Question: Is this decline of support the result of the internal problems that the PLO has experienced?

Answer: First of all, it isn't possible to speak of socialist parties in general, for there are those that continue to progress toward a more and more correct understanding of the nature of our struggle and our problems.

Such is the case of the Italian Socialist Party, just to mention one, in which it is impossible to note the least decline of support despite all the international pressures and conspiracies directed against Italy. As a matter of fact, in an effort to change the position of the Italian Government, our Italian socialist comrades are sticking to their principles very firmly.

With regard to the French, it is true that they play a central role among these parties. The decline of their support is undoubtedly related to such pragmatic and opportunistic considerations, but that does not have to do with our problem alone; it has to do with the way in which the French socialists have denied their principles concerning a series of problems.

Listen, Spain has been subject to very strong U.S. and European pressure to establish relations with Israel and Spain has yielded to that pressure. At the same time, the Spanish Government has decided to raise PLO representation in Spain to the rank of diplomatic representation precisely in an effort to illustrate its determination not to deny its principles. And after all, Spain, for historical reasons, did not have diplomatic relations with Israel. Thus the issue of establishing such relations was raised, but a large number of countries that have moved in our direction have maintained relations with the state of Israel for a very long time, and as for us, we have never asked our European friends to adopt our position.

And to the extent that third parties wish to play a role in a conflict, it is entirely normal for them to maintain relations with both sides.

I think that a real distinction must be made between parties whose positions remain basically hostile to our own, such as those of the German FDP [Free Democratic Party], the majority of the British Labor Party, the Dutch Socialist Party and parties such as those of southern Europe and some Scandinavian parties that continue to modify their positions. If we consider just the resolutions of the congresses and foreign affairs committees of those parties, we see that there has been a change in their positions from year to year and that they are getting closer and closer to our demands internationally. Of course, they are not going to join our struggle and take their place in our ranks. This is not what we demand of them, but we note that they continue to demand that the general principles of the right of peoples to self-determination and of justice do not end at the doors of Palestine.

Now--as to my mission--it does not solely have to do with the member parties of the Socialist International--we are trying to establish contacts with all socialist and social democratic forces in Western Europe, whether or not they are members of the Socialist International, and in general it is possible to say that this political-ideological-social democratic sphere of influence is in the process of full development. It is emerging from a colonialist and European-centrist legacy.



Question: Does the fact that you are here mean that your mission goes beyond even the borders of Europe?

Answer: Yes, because the Socialist Inter-African and other forces also exist.

And inasmuch as it is clear that Europe is the weak link in the Western chain hostile to the Palestinian people, then we see that these socialist forces are ultimately the main channels through which we can continue to explain our position to European peoples and governments, and to influence their policies toward justice.

Question: Right after the battle of Beirut, and even during that battle, an extraordinary event occurred--Arafat's meeting with Yourev Mery and, shall we say, the contacts he had with Mattei Pelled and the entire Israeli left.

Won't the PLO's past and present problems, the split-off of Fath, and the problems within the PLO itself discourage this Israeli fringe that was in favor of a dialogue with the PLO?

Answer: I don't think so. This has undoubtedly not discouraged that portion of Israeli public opinion that has not yet reached the conclusion that a direct dialogue with the PLO is necessary. But for those who, for reasons of principle, have already reached the conclusion that the PLO is the historical partner and interlocutor of the Israeli people, there is no change, because ultimately, regardless of whatever difficulties the PLO may have, it is very clear to Israeli democrats that there is no alternative to the PLO, that there are no other forces, and that the imaginary peace settlements without the Palestinians have all proved to be bloody preludes to new aggression and new wars, just as the Camp David accords and Sadat's approach have proved they would neutralize Egypt and leave Israel free to attack Lebanon. And I think that there has been a rather profound change in a portion of Israeli public opinion in this regard. I said again today that a former army reserve general, who for a very long time was the theorist of the most aggressive wing of the Zionist movement in Israel, who was the man who made the study of the 1964 version of the Palestinian National Charter compulsory in Israel's elementary schools, who was the evil genius behind the exegesis of Palestinian literature in an attempt to prove that all our statements for peace and conciliation were empty words, were merely tactics, and that we had only one obsession, which was to push the Israelis into the sea, this same "general" says today that not only is it necessary to negotiate with the PLO, but that it is absurd to demand that the PLO National Charter be amended as a prerequisite for negotiation. It is quite a development when someone like Ezer Weizman, an Israeli army general and a member of the Herut Party, today talks about the "Palestinian people" when just 14 years ago Golda Meir declared that the Palestinian people did not exist. These changes in the language of the Israeli political class reflect a profound change. For a very long time, Israeli public opinion was subjected to propaganda which said that "the Palestinian problem does not exist, and not only the Palestinian people, but the Palestinian problem is an invention of Arab regimes."

For several years the successive betrayals of the Palestinian cause by various Arab governments have made Israeli public opinion aware of the reality of the

Palestinian nation. At that time, of course, most Israelis hated the Palestinians. But even within that hatred, there was already a recognition of the enemy as a distinct entity.

I think that one of the best examples was the siege of Tripoli and Arafat, in which the Israelis realized that the Palestinians were fighting alone against an Arab government.

[18 Apr 86 pp 1, 2]

[Text] Question: And in Israel, is a change taking place among the eastern Jewish electorate that brought Begin to power?

Answer: I think that a change is taking place, but there should not be too many short-term illusions about it. Because this change is taking place slowly and is affecting relatively limited social classes. But a change is occurring in the social substructure and it is the rise of a lower middle class and a middle class of eastern origin in Israeli during the Likud coalition's years of power, for this right wing has, to a certain degree, loosened the stranglehold of the central bureaucracy's government monopoly over all civilian society in Israel. This weakening of the government machine's all-powerful control of society has made possible a certain social rise of eastern Jews, which had been impossible during all the years of Labor Party government.

With the emergence of an eastern Jewish middle class, we have seen that its political positions are completely different from those traditionally taken by the most uneducated and underprivileged classes, which were comprised almost entirely of eastern Jews in Israeli society until the 1970's. For several years now, we have seen the flowering of small research groups, small study groups and small militant organizations organized by eastern Jews, and they directly link the struggle against community discrimination within Israeli society to a peaceful resolution of the conflict. This demonstrates what we have known for a long time--that the bellicose and fascistic position of the eastern Jewish masses in Israel does not derive from any sort of cultural atavism or, as Zionist propagandists claim, from an atavistic hatred based on a negative experience of their lives in Arab countries, but from the fact that if the least educated and most oppressed classes of a society are not politically aware, they are always the most convenient mass for manipulation by all fascist movements. In every society, the shock troops of fascism have always been found among the false proletariat. From the time that the demands of eastern Jews became more than just social and economic demands whose ultimate goal is integration, we saw that there began to emerge cultural and political demands which called into question the basic philosophy of the war and the eternal opposition between the Zionist state and the Arab world.

Question: Can parties such as the Labor Party or the Likud coalition still have a future in Israel?

Answer: Yes, unfortunately. A short-term future, to be sure, inasmuch as the state of Israel is not a great economic power; it is a satellite country that exists on U.S. financial support for its budgets, defense and military research, in which there is a militarization of the economy.

Thus as long as the conflict lasts, it also creates the conditions for renewing the power of these ruling castes in Israel.

Question: The emergency of an eastern political party strong enough to attract this entire eastern component is impossible to imagine.

Answer: Yes, it is entirely possible to imagine it; it can even be contemplated; it is even possible to work toward that goal if someone is in Israel. But it is impossible to imagine that, by some miracle, this party would suddenly become a mass party that would reduce the two major Zionist parties to marginal movements. That could only be the result of a relatively long-winded struggle.

Question: Is there unrest?

Answer: I think there is unrest, but we have seen, and experience has since proved, that the state of Israel exists, that by definition political and socioideological processes within Israeli society remain defined and determined by the development of the national conflict on a regional scale. We saw how, for example, on the eve of 1967, there was an economic crisis in Israel, there was a movement of immigration to Western Europe and the United States, and there began to be a crisis of institutions and ideology....

And the 1967 war reconsolidated everything and created new conditions. If we look at the history of Zionism, we see that, on the whole, Zionist leaders have always been fairly aware of the principal weaknesses and vulnerabilities in their system and that, until recently, they have been capable of manipulating regional and international conflicts and contradictions so as to conceal these internal conflicts. I say until recently because, in fact, with the invasion of Lebanon in 1982 something began to break down in that mechanism and that is exactly what gives us hope. But it must not be forgotten that if something has broken down in the mechanism for controlling ideological integration in Israel, this is because of the Palestinian and Lebanese resistance, thus the driving force of an ideological change in Israel is the Palestinian struggle.

It is not possible to totally isolate the dynamics of the national struggle and the social changes and class struggles within Israeli society. There is a direct relationship and, in the final analysis, it is the Palestinian national struggle that is the driving force.

Question: What is your opinion of those who say that the best weapon against Israel is peace?

Answer: It all depends on what they mean by peace. There are those who say that the best weapon against Israel is peace and they mean that the Palestinians and Arabs should stop making war against Israel so that Israeli society can break down by itself. This is absolutely false. First, this is totally impossible and totally immoral. The Palestinian people are not going to voluntarily renounce their rights to give free rein to the contradictions within the society of colonists who have deprived them of their lands.

Nor are the Palestinian people going to give up establishing, with the Zionist state and with the imperialists supporting it, a regional balance of power.

Which is to say that the Palestinian people are not going to give up trying to persuade Arab states to take their place in an overall confrontation, including a military one, with the Zionist state. Thus if by peace they mean a peace of surrender, if only temporary, then no.

This is a totally false idea.

But if by peace they mean a just peace, a peace based on recognition of the right of Palestinians to self-determination, on the creation of a state, on the establishment of a new regional order in which the Palestinian people would have their place, then such a peace would certainly be a factor in considerably weakening Zionist ideology and institutions in Israeli society and would open the way to change.

Question: It is no secret to anyone, whether in Beirut or in the south, that PLO military forces are now returning to Lebanon.

Do you believe that the Israelis could risk yet another invasion?

Answer: I think they could. You know they invaded the south again a few weeks ago. I absolutely don't believe they would launch an invasion as large as the one in 1982, not only because of international conditions but also because of domestic conditions. Because the 1982 war, and this is exactly why Israeli Labor Party members reproached the Likud government at the time, split the so-called national consensus in Israel. Our definitely political and military return to Lebanon emphasizes the bitter failure of the 1982 war to Israeli leaders who claimed they were going to wipe out the PLO.

The political failure of 1982 has become an operational failure with the PLO's military return to Lebanon. And the role of Lebanese resistance to Israeli occupation in this situation must definitely not be underestimated, for you know that we have often had bloody differences of opinion with certain Lebanese political forces that are nevertheless involved in one way or another with the resistance to Israeli occupation and at our most recent National Council meeting in Amman, we reaffirmed that we would support these forces regardless of whatever differences existed between us in the Lebanese context. Homage must therefore be paid to the historical importance of the Lebanese national resistance to Israeli occupation. But these two resistance groups, Lebanese and Palestinian, whether working together or separately, are both helping to demonstrate to Israeli public opinion the total failure of the policy under which the 1982 invasion of Lebanon was conceived. Thus an invasion of that scope, and for those reasons, could not occur again, but military operations of smaller scale and for more limited time periods have every change of occurring again, unfortunately. It is even likely that Israeli leaders are just looking for the right time to implement multiple plans for military operations of average scope against the Lebanese people, against the Palestinian people, against Jordan, against Syria, depending on the possibilities.



But that does not mean that these operations will be able to reestablish a consensus within Israel. There are strong possibilities that if the resistance is strong, these operations will only deepen the political polarization in Israel.

Question: Do you believe that the Middle East is beginning to become part of the Soviet Union's so-called vital areas?

Answer: That isn't far short of an area which is vital.

Question: What I meant is that, with the war in Lebanon, we have certainly seen that the Soviet Union wasn't going to get involved. But we have the impression in recent years that this region is becoming more and more important to the Soviet Union.

Answer: It is becoming important to the Soviet Union insofar as it is becoming strategic for the anti-Soviet mechanism of U.S. imperialism, but also for other reasons. The context of the Soviet occupation of Afghanistan must be considered to some degree. Afghanistan is on the edge of the Soviet sphere of influence and on its immediate periphery.

The Soviet Union has shown that it was entirely capable of making a commitment, regardless of the cost, to defend what it considers to be its geopolitical borders. Thus the area we are discussing, and in which we live, is immediately contiguous, but it is a fact that although the Soviets, until 1967 and 1972, had considerable allies and bases of support with Egypt, the situation over the last 15 years has changed, on the whole, to the advantage of the Americans and that under these conditions the Soviets have vacillated between the desire to return to an overall arrangement with the Americans for dividing the region into spheres of influence, which was the case until 1967.

But with U.S. hegemony, intransigence and rejection of any arrangement with the Soviets concerning Middle East affairs, the Soviets established an alternative policy that was much more aggressive or more much offensive inasmuch as there was no longer any question of participating in the joint management of a region, but rather one of destabilizing a region they considered to be entirely under the hegemony of the opposite bloc. And under those conditions, that could mean accepting a certain degree of withdrawal from the center of that area in order to consolidate strong positions on its periphery: in Afghanistan, in South Yemen, in Ethiopia. But I think that the Soviet Union (in a previous conversation we said that the Americans had no policy, but that is not at all the case with the Soviets) has several policies for each representative scenario.

Thus there is a policy that is based on the hypothesis of a continual confrontation with U.S. imperialism. This hypothesis implies the possibility of more active Soviet intervention in the region. They have never closed the door to the possibility of an overall deal with the Americans, and thus to the possibility of a policy of peace, and this explains the apparent incoherence, which is really only apparent, of the Soviets' system of alliances in the region. That is, on one hand their military and diplomatic support of Syria and Libya, and on the other their continuous military support of Iraq,



their overtures to the Saudis and to Jordan, the signing of a friendship and cooperation treaty with North Yemen, trade relations with Kuwait, certain types of encouragement for a rapprochement between the Arab world and Egypt. Thus I believe that Soviet policy in the region cannot be characterized at all as having only one interpretation.

Question: Do Israel's successes in Africa frighten you politically?

Answer: First, I think that those successes must not be overestimated; some African governments believed it was a good idea to reestablish relations with Israel in exchange for promises.

Question: (Let's be clear about this--when Israel manages to renew relations, it is nevertheless a setback, not for the Palestinians, but for the Arab world.)

Answer: It is a setback for the Arab world because we are indeed in a good position to know that the African governments that have renewed relations with the state of Israel have done so in a totally mercenary manner.

That is, they did so in exchange for U.S. economic and financial promises. These promises, at least for the most part, are never kept.

Thus the African nations launching into this questionable operation will emerge with "egg on their faces."

In my speech to the IAS, I said that the African countries that thought it was a good idea to reestablish relations with Israel would not suffer too much in the future from this thoughtless reintroduction of the fox into the hen house.

This is indeed a setback, not for the Palestinians, but certainly for the Arab world, because the Arab world, as a whole, has the resources to come to the aid of those countries economically and financially, and to save them from U.S. and Israeli blackmail. But in general, I believe that African peoples and governments have a spontaneous support and sympathy for the Palestinian people's cause because it is a cause of decolonization, because it is a struggle against colonialism.

The governments engaging in this kind of reestablishment of relations with Israel will only deepen the gulf between them and their own people.

And I think that the vast majority of African leaders have enough political wisdom to understand that this is a very short-term gamble, and that even in their narrowest interest as leaders this is bad business.

11915

CSO: 4419/19

SYRIA

AL-ASAD'S MEETING WITH GENSCHER DETAILED

London AL-DUSTUR in Arabic 26 May 86 pp 28-30

[Article: "Quest for a Political Deal with West"]

[Text] All the military and political meetings held in Damascus at the request of Syrian President Hafiz al-Asad and which were, at the same time, limited to specific army, government, security and intelligence officials were held for many a long hour in the closest of secrecy. Some of the meetings lasted several sessions during which an assessment was made of the security and political picture in Syria itself, going on to consider relevant Lebanese and Middle Eastern variables.

The outcome of the meetings and the data collected established that the country's political cards were in disarray and dispersed every which way involving innumerable problems, which prompted the Syrian president himself to stress the need to pick them up where they lay, since the coming storm was expected to be violent, requiring some bending against the wind until it blows over.

Although detailed information about closed meetings at such a level in a country like Syria is extremely difficult, if not well nigh impossible, to come by, AL-DUSTUR can confirm that the meetings aimed at reordering relationships in the administration, army, security organs and intelligence services. "International terrorism" was given top priority during the meetings, the Syrian president voicing his concern to political and military authorities that the issue be used as a pretext for a military strike the time and place of which could not be pinpointed in the current murky atmosphere.

Following the American raid on Libya, the Syrian president did not limit himself to the four telephone conversations that he had with Colonel Mu'ammarr al-Qadhdhafi but also spoke directly by telephone with Iranian President Khamene'i warning of the dangers inherent in the situation and inviting both Tehran and Tripoli to shoulder their responsibilities. Those in the know concerning those contacts and the Syrian president's attitude gained the impression that Syria is leaning towards ridding itself of the terrorism issue and the Western hostages, particularly in view of the fact that he emphasized, during his conversation with Khamene'i, the

need for release of the hostages. This prompted the Iranian leader to direct his foreign minister, 'Ali Akbar Velayati, to meet urgently with the Syrian president to discuss developments. Al-Asad, however, favored postponing such meeting until after his return from Jordan, which was interpreted by Khamene'i as a veiled threat in view of Jordan's position vis-a-vis the Gulf War. Suddenly the projected visit to Jordan was switched to an unscheduled trip to Yugoslavia. What then was the purpose of that trip?

AL-DUSTUR'S information is that the Syrian president did not go to Yugoslavia to confer with officials there but to meet with West German Foreign Minister Hans Dietrich Genscher, who had agreed to a meeting in Belgrade. The Syrian leader had made direct contact with American officials with a view to visiting Washington and meeting with U.S. President Ronald Reagan, especially following the hijacking of the TWA airliner to Beirut last June, but the visit never materialized.

During the Asad-Genscher meeting in Belgrade one subject was discussed: international terrorism. Speaking on behalf of the European Ministerial Council which includes ministers of foreign affairs and defense, Asad was told that "those countries would not allow a handful of terrorists to play havoc with Arab-European relations." Information has it that the Syrian leader, who was more of a listener than a speaker, was taken aback by Genscher's attitude when he said that "Germany will fight terrorism in any shape or form and will not accept that certain heads of state practice terrorism to achieve certain purposes and goals." Referring to terrorist camps in Lebanon, Genscher, without going into detail, referred to the camps in Syria, and hoped that Syria would pursue a moderate policy in Lebanon, the region, and Europe. He stressed that "we will allow no one to threaten European security." The Syrian president reiterated his well known stand laying responsibility on Iranian organizations and militias in West Beirut and the southern suburb which are not under the control of the Syrian army. He called for full authority from the West to strike at those organizations. To do so the Syrian army would have to return to West Beirut to strike at the terrorists and uproot terrorism.

It is obvious that the Syrian leader wanted to work out a package deal with the West behind the back of the Arabs and the Soviet Union. Genscher, on the other hand, informed Asad that the talks were confined to terrorism and that he was speaking on behalf of the European Ministerial Council and not Israel or Washington. Asad replied that striking terrorism in Lebanon and the Middle East cannot be isolated from a comprehensive political deal which would take into consideration the presence of Syrian forces in Lebanon.

The two parted, the Syrian president having described to Genscher a full scenario similar to the position he took in the TWA hijacking when he sent a secret message to the U.S. president expressing his readiness to release the hostages without expecting anything in return.

On the same day on which he returned to Federal Germany, Genscher received the Egyptian ambassador, to whom he communicated the outcome of his talks

with al-Asad. The ambassador sent a full report on the talks to the Egyptian Foreign Ministry. Diplomatic sources described the talks as the "most inauspicious ever conducted by the Syrian president since he came to power in 1970" and that they had indeed been "menacing". The West German press did not conceal the adverse results of the talks or the tense atmosphere that had prevailed in the meeting. It expressed strong sympathy with Genscher and his position and either implicitly or overtly blamed the Syrian leader. Some papers referred to the meetings held by the foreign ministers of Syria, Libya, and Iran, pointing out the doubts concerning the plans and content of those meetings.

The fact remains that there is one positive aspect to the al-Asad-Genscher meeting, in that the Syrian president was able to sense Europe's position for himself and acquaint himself with changing factors that gave rise to anxiety. He had never before heard such determined and unambiguous statements, yet he felt that it might still be possible to dispel some of the "clouds of error" that had gathered over Syrian-European relations. Immediately on his return to Damascus the Syrian leader met with senior political and military officials, then convened a meeting attended by Syrian intelligence chief Ghazi Kan'an and senior intelligence officers in which he urged caution and vigilance. At the same time Vice-President 'Abd-al-Halim Khaddam was meeting with the leaders of Lebanese sectarian militias urging them to open up some kind of flanking action to divert attention from terrorism and Syria's involvement in Lebanon's conflicts.

The al-Asad-Genscher talks did not end there. There is another element. Egyptian President Husni Mubarak, who was fully briefed on the details of the talks, seized the opportunity of May Day to refer in a speech to the tactics of the Syrian president, who was going through a phase of seeking Arab and international legitimization of his actions and the presence of Syrian forces in Lebanon.

Tehran, sensing something afoot, dispatched Foreign Minister Velayati in haste to meet with the Syrian president. It was hardly reasonable to expect Iran to maintain a strategic alliance with Damascus only to find itself held solely responsible for terrorist activity. Iranian groupings in al-Biqa' have never, at any time, acted in isolation from Damascus. The same holds true of the groupings in West Beirut and the southern suburb. Military supplies and materiel were routed through Damascus Airport and Syrian-Lebanese roads controlled by the Syrian army. Why then should Damascus cast responsibility for terrorism on those groupings?

These concerns Velayati brought to the attention of the Syrian president, who spelled out the European position, adding that Syria would not go too far, preferring that Tehran act to regroup its people in Lebanon. The Syrian president, who spelled out the European position, adding that Syria would not go too far, preferring that Tehran act to regroup its people in Lebanon. The Syrian president urged that assistance be given to bring about the release of western hostages. Setting them free piecemeal would not change the mood of Europe, which is "boiling," to use al-Asad's



expression. While the talks were taking place in al-Muhajirin Palace in Damascus, attended by the minister of the Khomayni Guard, Mohsen Dawsat, the Syrian forces were making a show of force in Ba'labakk in their first direct confrontation with Hizballah militiamen and Iranians, which resulted in dead and wounded and dozens being detained. Those in the know say that Syrian-Libyan-Iranian relations are at their lowest ebb. The initial assessment in Tripoli and Tehran of al-Asad's talks with Genscher and his visit to Jordan describe him as hopping aboard the American-European bandwagon. It is believed that U.S. Assistant Secretary of State for the Middle East Richard Murphy, who visited Damascus and met with al-Asad prior to the American raid on Libya, had made certain offers relating to the Golan Heights and Lebanon. Syria, however, needs financial aid at this stage as a result of the crisis in which it finds itself. Tehran and Tripoli can do nothing for her, hence the Syrian president proved flexible with regard to Murphy's offers. Al-Asad is scheduled to visit Rumania to meet with President Ceausescu to explore the possibilities of a new "status quo" between Damascus and Tel Aviv in Lebanon. Syria is now ready to decide on security arrangements and make them available to Israel, so that it can turn its attention to dealing with its fiscal and military sources of concern at home. It is, in any case, certain that time is no longer on Syria's side. An Arab diplomat in a position to know about the al-Asad-Genscher talks has stressed to AL-DUSTUR that the time of the "special authorization" is past and that the pages of history cannot be turned back. When the Syrian president was able to obtain U.S. President Jimmy Carter's authority in 1970 to introduce his troops into Lebanon to restore security and stability, he misused that authority and turned Lebanon into a tool for blackmail and pressure through which he milched Arab and Western sources for funds. Now the Syrian president is unable to heal the wounds he inflicted on Lebanon and therefore has to take Arab and Western reaction into very careful consideration. The Syrian president's tragedy is that he tried to use his alliance with Iran as pressure to blackmail Arab Gulf countries, but Iran dragged him into widespread conflict with the Arabs, both sinking into the morass of terrorism. The Soviet Union cannot forget the kidnapping of four of its diplomats in West Beirut or that one of them was killed.

Syria's present problem in Lebanon is that it is moving without Arab or international cover. All it has is Iranian and Libyan approval, which it needs to change for Arab and international approval. That explains why the Syrian president met with Genscher, choosing Yugoslavia as venue in order not to arouse any suspicions. When he was met with German--i.e. Western--rejection he turned to Jordan in an attempt to get closer to Iraq, Egypt, and the Arab Gulf countries. He asked for time, in order to have a dialogue with Ceausescu, who is in a position to communicate a message to Israeli Prime Minister Shimon Peres in an attempt to create a new "status quo" in Lebanon, rather like that in the Golan Heights. Accordingly al-Asad finds himself both for and against terrorism.

So far the Syrian president has been unable to work his way out of the whirlpool of Syrian, Lebanese, and Middle East conflicts. Being smart does not always pay. Moscow is annoyed by "al-Asad's smartness," to quote



a Bulgarian diplomat, who added that Moscow's annoyance peaked when al-Asad visited the Yugoslav capital and met with the West German foreign minister in an attempt to cut a new deal with the West.

Many equations are likely to change in the next 2 months, and then it will become all too clear whether time is really on the Syrian President's side.

13291/9190

CSO: 4404/341

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

FOREIGN MINISTER ADDRESSES NONALIGNED CONFEREES

Aden 14 UKTUBAR in Arabic 20 Apr 86 p 1

[Article: "Minister of Foreign Affairs Delivers Our Country's Address Before the Ministerial Meeting of the Coordinating Office of Non-Aligned Nations"]

[Text] Democratic Yemen has reiterated its condemnation of U.S. attacks on the Libyan Jamahiriya as a threat to the latter's territorial sovereignty and political and economic independence.

This was brought forth in our country's address delivered by comrade Dr 'Abd-al-'Aziz al-Dali, minister of foreign affairs and member of the Politburo, before the Ministerial Coordinating Committee of non-aligned nations. He pointed out that the U.S. administration, by not responding to peaceful Soviet proposals in that regard, has contributed to the creation of new areas of aggression, an increase in international conflict and tension, and to escalation of the arms race. He emphasized that international peace and security can be assured only through total disarmament and the prevention of the militarization of outer space.

The comrade foreign minister commended the Indian initiative and the role played by non-aligned nations during the past 2 years.

He surveyed our nation's position towards various current issues. He emphasized the importance of holding an international meeting on the Indian Ocean in 1988, of total and unconditional withdrawal by the Zionist enemy from all occupied Arab territories, including Jerusalem, and the restoration of all the inalienable rights of the Palestinian people, including the rights to repatriation and to self-determination under the leadership of the PLO.

He emphasized the need for a world conference on the Middle East in which all concerned parties, including the PLO, would be represented.

He demanded that Zionist occupation forces withdraw from Lebanon and expressed commitment to Lebanese independence, sovereignty, Arabism, and unity.

He concluded by reiterating our country's dedication to the principles of peaceful coexistence, international cooperation, and the promotion of relations with all countries on the basis of good-neighbor policies, non-interference in internal affairs, and mutual cooperation.

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

SECOND OF YEMENI-SOVIET PLANS IMPLEMENTED

Aden 14 UKTUBAR in Arabic 20 Apr 86 p 1

[Article: "Yemeni-Soviet Projects in the Province of Lahij Implement 98 Percent of Their Second Plan"]

[Text] Yemeni-Soviet Projects in the province of Lahij has implemented 98.4 percent of their second 5-year plan for 1980/85. A water basin has been installed and the main canal has already been dug in al-'Ara'is. Al-Hadarim dam has been rebuilt and improved and the main canal has been redeveloped. Surveys were made of 1,227 hectares of land. At al-Hadarim dam concrete pilings and gates have been built in addition to a productivity base comprising a concrete plant, crushed rock, and a cement warehouse. The main canals have been completed.

Comrade Sayf Munsar Muhammad, member of the central committee and second secretary of the party organization's committee in the province, met yesterday morning with officials of Yemeni-Soviet Projects and emphasized the need to double efforts and improve productivity by drawing up collective contracts with project workers.

The meeting also discussed projects completed during the first and second quarters of the current A.D. 1986.

After the meeting, Comrade Sayf Munsar inspected land survey operations in the November 5 and al-Wusta cooperatives in al-Hutah. He also inspected the progress of work on the main canal of Baizaj dam and visited acreage recently irrigated by flood water.

12935/12899  
CSO: 4404/343

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

ALLEGED ASSASSINATION ATTEMPTS--Several assassination attempts are reported in Aden. Muslims opposed to the ruling faction opened fire on the car of Muhammad Sa'id 'Abdalluh Muhsin, former minister of revolutionary security. His bodyguard was killed and Muhsin was slightly injured. That was the third assassination attempt since the bloody events of January 13. Despite continued denials by the information apparatus in Aden, attempts had also been made on the lives of both 'Ali Salim al-Bid, the new secretary general, and Haydar Abu-Bakr al-'Attas, head of the regime. [Text] [Cairo SAWT AL-JANUB AL-YAMANI in Arabic 15 May 86 p 4] 12945/12899

NATIONAL GROUPING EMISSARIES--The National Grouping of Patriotic Forces in the Yemeni South resolved during its last session to send delegates to Arab sister-nations to explain the latest developments in our southern section of the motherland. Two high-level delegations will be dispatched. The first, chaired by brother 'Abd-al-Qawai Makkai, secretary general of the grouping, will visit the League of Arab States and the African Arab countries. The second delegation, led by brother Shaykhan 'Abdallah al-Habashi, deputy secretary-general of the grouping, will go to the Asian Arab states. Both delegations are expected to embark on their missions within the next few days. [Text] [Cairo SAWT AL-JANUB AL-YAMANI in Arabic 15 May 86 p 3] 12945/12899

CSO: 4404/343

AFGHANISTAN

NEW REGIME SEEN SEEKING SUPPORT IN ALL SECTORS

Bordeaux SUD OUEST in French 2 Jun 86 p 2

[Text] If we can believe the news reports of the official Afghan media, meetings are being held every day in different parts of the country with representatives of the Army, clerics, border tribes, minority nationalities, and various economic activity sectors.

Since no independent observer participates in these meetings, it is difficult to assess their importance or impact. However, the message being sent, particularly in the direction of the 4 million Afghan refugees living abroad, seems to be an appeal for national reconciliation.

Thus, this matter was touched upon by Mr Najibullah on 27 May in Mazar-i-sharif, which is a town in the northern part of the country in the heart of a region where, according to BAKHTAR, the official news agency, "The sounds of counterrevolution are no longer heard."

To bring about this "reconciliation" and to convince the refugees to return to Afghanistan, the regime is carrying out a policy "of broadening its social base," which had already been undertaken before Najibullah's accession to power.

Last summer, the Revolutionary Council, the government's supreme organ, had been expanded by about 70 new members, including 56 who did not belong to the party.

Two good-will operations, moreover, are being directed on the one hand toward clerics and, on the other, toward Pathan border tribes, some of which are residing in Pakistan. The authorities have promised the border tribes respect for their autonomy and for the country's tribal structure. In return, it is believed that Kabul would like to use these tribes to form a "Pathan cordon sanitaire" to prevent the movement of guerrillas from Pakistan.

The Army First and Foremost

The promises made to the tribes are at times accompanied by gifts in the form of arms and money, in accordance with an age-old tradition.



With regard to clerics, the press reports that at the time of his visit to Mazar-i-sharif, Najibullah read the Koran aloud, going so far as to translate it simultaneously into Pathan. To this spectacular gesture, he added promises with respect to the "Islamic character of the Afghan State."

However, this policy is being carried out simultaneously with an intensification of the military effort, particularly in the Pakistani-Afghan border regions, and the Army, more than any other entity, earned the praises of Najibullah, over the course of the last month.

8143/6662

CSO: 4619/59

AFGHANISTAN

AUTHORITIES PROTEST TO FRANCE CONFIRMS MUJAHIDIN GAINS

Paris LE QUOTIDIEN DE PARIS in French 5 Jun 86 p 12

[Article by Yves Cornu]

[Text] On Tuesday, the Afghan minister of foreign affairs summoned the French charge d'affaires in Kabul to give him a protest note about the recent conference on Afghanistan held in Paris. This gesture of displeasure is explained in large part by the fear of seeing Western countries step up their political support for the resistance.

Radio Kabul, which reported this incident, states that on the occasion of the Paris conference, a resistance official spoke. This initiative was seen as "the beginning of new activities hostile to Afghanistan which aim at diverting the attention of French public opinion from the socioeconomic progress achieved by the Democratic Republic of Afghanistan." The official radio station, which talked about "direct and deliberate interference in the internal affairs of another country," also expressed its indignation over the fact that "a group of counterrevolutionary terrorists" is able to meet with French political personalities.

The summoning of the French charge d'affaires may seem disproportionate to the facts: The Afghanistan International Bureau (Footnote 1) (24, rue de Chaligny, 75012 Paris) is a nongovernmental organization; the debate that it had organized on 30 and 31 May had been preceded by many others which had not provoked official reaction from Kabul; and it was not the first time that a resistance leader--in this case Sebghatullah Modjadidi, an official of the National Front for the Salvation of Afghanistan (a moderate party and a member of the alliance of the different resistance organizations)--had spoken during this kind of meeting.

An examination of these 2 days gives a better explanation of the concern they provoked in high places in Kabul. The theme of this conference was "the conditions for a political solution in Afghanistan," and Modjadidi stressed the need for associating the resistance with any negotiations on the future of Afghanistan, which is not now the case, and this in the presence of a sizable group of French and European personalities.

## Diplomatic Opening

The fears of the Afghan authorities at seeing the resistance score points in the diplomatic sector were confirmed on Tuesday. Modjadidi, who had been authorized by the current spokesman of the alliance, Professor Borhanuddin Rabbani (head of the Jamiat Islami, one of the fundamentalist parties) to speak on behalf of the entire resistance, was received in succession by the president of the National Assembly, Jacques Chaban-Delmas, who made a commitment to bring pressure to have France make a demarche; by Didier Bariani, secretary of state to the minister of foreign affairs; and by Claudio Malhuret, secretary of state to the prime minister in charge of human rights.

Several times in the past, the Afghan authorities had protested against foreign "interference" in their internal affairs, particularly during the session of the Peoples' Tribunal, which was held in Stockholm in 1981, and when Professor Rabbani had been received at the Ministry of Foreign Affairs during his visit to Paris in 1984. Their dissatisfaction this time is all the greater because, unlike those two precedents, the treatment accorded Mojadidi was not an isolated case: In December 1985, Jacques Chirac had received the head of the resistance of the Kabul region, Major Anwar, at the Paris city hall; more recently, the British prime minister, Margaret Thatcher, opened the door to No 10 Downing Street to Major Abdul Haq, who coordinates the resistance in the capital; and next Thursday, a debate will be devoted to Afghanistan during a plenary session of the European Parliament.

The Mujahidins, who have spent so much time acquiring a new political image for themselves, but whose alliance is not safe from new dissensions, seem now to be scoring points in the sector in which they were weakest and are in a position to thwart the plans of the Soviet-Afghan authorities. For Kabul, this opening which jeopardizes Pakistani-Afghan negotiations is also taking place at a time when the new strongman (?), General Najibullah, is trying to achieve recognition on the international scene.

8143/6662

CSO: 4619/59

AFGHANISTAN

MEDICAL TEAM REPORTS ON HEAVILY ATTACKED REGION

Paris LE QUOTIDIEN DE PARIS in French 5 Jun 86 p 12

[Article by Yves Cornu]

[Text] A team from Doctors of the World [MDM] (Footnote 1) (67, avenue de la Republique, 75011 Paris. CCP 1144Z Paris) spent the entire winter in Wardak, that is to say, in one of the regions most attacked by the Soviets and at a time when the living conditions of the Mujahidins are the harshest.

Philippe Redon, a general practitioner, Herve Mignot, a gynecologist, and Philippe Avenet, a nurse, returned [to France] at the beginning of April after having spent 4 months in that province. A presence of which the Soviets doubtless were fully aware. "In Peshawar, we ran into an Aeroflot crew, and when we were in Wardak, the inhabitants of Kabul would come to see us to ask for medicine or to have an interpret what was being said on their radios. Suffice it to say that if they knew about our presence, the Russian Army did, too," they explained. The bombings and commando actions which took place in Wardak daily, however, never directly threatened the MDM team as it made its rounds of the villages; however, they resulted in surgical procedures in which the three men were not trained and which they would have gladly done without.

"The transport of the wounded was considerably slowed down by the snow, and those who did not die en route reached us in deplorable condition. We have to perform amputations in frightening hygienic conditions in the light of pocket flashlights."

The trio learned to become accustomed to two kinds of wounds characteristic of combat: early on, Mujahidins with bullet or shrapnel wounds received during confrontations came to the "markaz," the resistance camp; several days later, it was the turn of those wounded by mines. The existence of that second wave is easy to explain: When Soviet helicopter commandos withdraw from a village or from what is left of it, they systematically booby-trap everything they can, and many Afghans are mutilated when they attempt to return home.

Apart from this emergency treatment, the team from Doctors of the World was unable to fight effectively against the two scourges which contribute to the ravaging of Afghan society and condemn to death half of the children under 5 years: the total absence of hygiene, and malnutrition. The people of Wardak depend partly upon the food caravans which come from Pakistan, at least in winter. The large snowfalls this year give hope for abundant harvests in the summer months; however, once again these harvests are in danger of being systematically destroyed by the Soviets.

8143/6662

CSO: 4619/59



18 July 1986

## INDIA

## CONGRESS-I WORKING PRESIDENT WRITES TO GANDHI

## Remarks to Reporters

Calcutta THE STATESMAN in English 29 May 86 pp 1, 9

[Excerpt]

**NEW DELHI, May 28.**—Mr Kamalapati Tripathi, working president of the Congress (I), who had written a hard-hitting letter to the party president, Mr Rajiv Gandhi on April 22 criticizing the all-round deterioration in the working of the party and the Government, was angry today because "someone has stolen a copy of that letter and released it to the Press."

Talking to reporters, he asserted "I have not released it. I have no intention of doing so. Anyone, who has released it, has stolen it. It is unauthorized. Anyone who has done it must have done so to harm us and the party."

Mr Tripathi apparently regretted that the full contents of the letter had been made public—indicating that he had changed his stance. In the letter he had criticized Mr Rajiv Gandhi for "assuming all power to yourself" and for "building up your own coterie with discredited persons who deserted your mother at the most difficult time of her political career."

Mr Tripathi said today that after writing that letter he had met the Prime Minister and had a long talk with him. "I am satisfied with the way of his functioning and I am happy that he is looking into the issues which I have raised in the letter".

**DISSIDENTS**

Asked about the dissidents (Mr Pranab Mukherjee, Mr A. P. Sharma, Mr Sripat Misra and Mr Prakash Mehrotra, whose cases he had pleaded with Mr Gandhi), Mr Tripathi said he was "not supporting anyone, nor was he opposing anyone".

He said that all that he did was to raise certain issues to which he thought the Prime Minister's attention should be drawn.

# Text of Letter

New Delhi PATRIOT in English 29 May 86 p 6

[Text]

My dear

I am writing this note with the hope that you will take it in the right spirit. This is not written out of anger or frustration, but out of the agony of an old Congressman who spent more than six and a half decades of his life in the service of this nation, under the flag of this great organisation. After spending so many years in the service of this organisation, I cannot, but feel sad at the present state of affairs. You will recall that in the shadow of the greatest national tragedy of recent times, you were chosen by the Congress Parliamentary Board, to lead the party in Parliament. Congress Parliamentary Board recommended to the President to appoint you as the Prime Minister after the assassination of Indiraji. The decision of the Congress Parliamentary Board was overwhelmingly endorsed by the Congress party in Parliament at its meeting under my chairmanship. After a few days the Congress Working Committee met under my chairmanship and elected you as the Congress president, unanimously. All these steps were taken by the party with the hope and expectation that, you being the heir of Indiraji and the Nehru family, would be in a position to lead the party not only to electoral victory but also to pilot this great organisation in a very critical situation of our national life. In short, no body in the party raised any question about the decision of the party leaders to vest in you all the powers and authority of both the Government and the organisation.

But, unfortunately, the same state of affairs do not prevail any longer. Not only the common Congressmen and women are puzzled and bewildered at the rapid disintegration of the party, at all levels, but they are shocked at the casual, ad-hoc and inept handling of the party matters by you and your so-called operators.

Indiraji appointed me as the working president and delegated her authority to me, so that a large number of organisational work was disposed of by me and the Congressmen knew, that they can approach me when the Prime Minister does not have much time to discuss in details. Functioning of the organisation was going on smoothly. On 19th January, 1986, when you appointed Shri Arjun Singh as vice president and also announced several new names of general secretaries, you had categorically stated in your press conference that they would all function under my guidance and direction. But office-bearers are appointed and replaced, PCCs are dissolved and reconstituted, cells are organised and reorganised, posts are created and abolished in the organisation, and I am consulted nowhere. I read these developments only in the newspapers. When Press people put me questions, my embarrassment only increased, since your assumption of office as president, you have completely made me functus-officio. Is there any need of my continuing in this ornamental post? I have already written to you in this matter earlier.

Looking at the electoral performance of the party in the last 16 months, a Congress worker simply wonders—where the party is going? If you simply look at the scoreboard of our electoral victory, you will notice that our performance-curve is going down steadily. In the election to the Lok Sabha held in December 1984, we won more than 80 seats out of every 100 seats we contested. And in less than 365 days on 16th December 1985, our performance came down to 20 seats in Assam. Performance in the bye-elections was no better. In March 1985 when 11 States went to poll, we were shocked to find that in Maharashtra and Rajasthan, we narrowly escaped defeat in Sikkim, Andhra

Pradesh and Karnataka we were routed; in Uttar Pradesh our strength was reduced. In Bihar we maintained status quo and only in Orissa, Gujarat and Madhya Pradesh we improved our position. I do not know whether you analysed the causes of this poor performance of the party just after two months of landslide victory in Lok Sabha poll. Contrary to this, picture in 1980, after six months of the Lok Sabha poll, our party improved its position in the State Assembly elections in all States except only in one State, that is Tamilnadu. What are the reasons of this reverse in results? To my mind the unhealthy role played by your so-called advisers in selecting the candidates was primarily responsible for this. Established leadership in the States and local area was totally neglected. Even while making selection for 425 candidates for Uttar Pradesh Assembly, no effort was made to consult me, at any stage, although I was all along available in Delhi.

The so-called information sheet very often produced by one of your aides as authentic IB Report, influenced your mind, and as a result a large number of deserving candidates were denied party nomination on the so-called "bad image" report and consequently the party suffered heavily in the elect

The so-called information sheet very often produced by one of your aides as authentic IB Report, influenced your mind, and as a result a large number of deserving candidates were denied party nomination on the so-called "bad image" report and consequently the party suffered heavily in the election. In addition to this, your confession in Assam, in a public meeting, and the subsequent change of candidates, not only demoralised the party candidates but posed a serious doubt among the electorate when the party's supreme authority himself confesses publicly

that his nominees are not good, why they should vote for such party. Can we expect after this announcement that people will vote for us?

A thesis propagated by one of your Cabinet colleagues that though Congress was defeated in Punjab but democracy won. Implication of this thesis is quite clear - victory of Congress means negation of democracy. Can there be anything more preposterous than this? What a compliment to an organisation in its centenary year from a distinguished Cabinet colleague of yours!

However, this is not the end of the story. Congressmen and women assembled in hundreds and thousands at Brabourne Stadium on the 29th December, 1985 were aghast to learn from the presidential remark about their organisation as being taken over by "power brokers" and converting the "social revolution" into a "federal oligarchy". Whom did you mean as "Power brokers"? Did you mean those persons who simply because of the proximity to you are enjoying both administrative and organisational power? Did you mean them as power brokers who did nothing in their whole life to strengthen the organisation but today are enjoying the fruits of the struggle of this great organisation? Congressmen and women were happy when you promised to remove these power brokers. But to their utter dismay they found that according to you power brokers are Pranab Mukherjee and Gundu Rao who were unceremoniously removed from the working committee.

It is not the question of individuals but whom you chose to dispense with are the persons who stood by your mother and our leader in the most difficult time of our struggle, when many of your chosen associates were either mere onlookers or left her like 'rats leaving a sinking boat'. It is really unfortunate that your personal likes and dislikes have gone to such an extent that it is impossible to find any rationality in these acts. Even assuming that as Prime Minister and as president of the organisation you have

absolute right to choose your own team but would that mean, that in appointing party office-bearers normal constitutional requirement would be thrown to the wind? Would you please tell me when Shri Arjun Singh was elected or nominated to AICC before, he was appointed as vice president of the organisation? Was it not obligatory on his party to resign from AICC membership when he assumed office as Governor of Punjab? At what point of time between 15th of November and 19th of January he was elected to AICC or nominated by you to AICC? The same lapses may be pointed out in respect of a number of office-bearers. These are minor things, no doubt, but these clearly indicate your process of thinking. It seems that you have assumed all the power into yourself and you need not care for the petty formalities. The same highhandedness was expressed when you unilaterally changed a Congress candidate in Assam though he was selected by Congress Parliamentary Board under your chairmanship.

Frequent changes in party and administrative offices have become a style of your functioning. Since 12th November 1984 to 19th January 1986, you have appointed and removed as many as 9 general secretaries. In one key Ministry the incumbents were changed five times during this period. The impression left by this musical-chair style that you are not sure of the capabilities of the persons you select. You are not only making injustice to them but deliberately you are injecting uncertainties in the whole system.

In handling some of the difficult issues like problems in Punjab and Assam you have shown impatience and your measures have not only been casual and ad hoc, but have aggravated the problems. First of all, I would like to point out that there was no great hurry in arriving at these accords. People were prepared to give you more time to understand the implications of the issues in greater details. They were not in a hurry but it seems

you were in great hurry. The accord which you signed with late Longowal and which was publicised in media with great fanfare, would not solve the complex problem. Today, Punjab is back to square one, rather the situation is worse. Golden Temple is under the control of the extremists, violence is going on unabated, migration of minorities to and from Punjab is taking place silently. In these circumstances mere change of Governor, occasional expression of concern, are not adequate to tackle the situation. By changing Governor in the midst of deteriorating situation, Government of India has assumed extra responsibility which should be discharged without any further delay. I do not know how you are going to restore normalcy in Punjab but perhaps you now realise that mere signing an accord is not enough to solve a complex problem.

The party in Assam like that in Punjab not only suffered a humiliating defeat in the last election but also reached a stage of virtual liquidation. The man who rose to the occasion to face a very difficult situation, has been left like hot potato by you and there is no substitute of him to build it up again. But apart from the setback of the party, the accord has dangerous implications. By signing this accord, Government of India accepted the proposition, that in this country, apart from aliens, there may be a group of people who are citizens without voting rights. By conceding to the demands of the Assam agitators and subsequent enactment, Government of India has subscribed to the proposition that a strong determined group with sufficient muscle power, can change the constitutional right of an Indian, to reside in any part of the country. I do not know whether your advisers pointed out to you the full political implications of these provisions of the accord. In this respect may I point out that in both these matters, decisions were taken at the administrative levels and party's support was taken for granted. These issues were never discussed either in

Congress Working Committee or in the Congress Parliamentary Board. When the accords were announced, the party had no option but to endorse the same.

I am not mentioning the lapses of the Government in the economic field, as you have seen the reaction of the party members in respect of recent price hike of petroleum products. The impression given by the economic policy makers, since last year's budget, that this Government is primarily concerned with the welfare of the well-to-do sections of the society. The pro-poor stance of your mother's policy is the story of the past though the party still theoretically stands committed for socialism. I know, many economic pundits will come forward to challenge this contention and would try to establish that your model of economic growth would lead this country to the 21st century. I agree with you that it is important to prepare this country for 21st century, but the moot point is, whether you would take the whole country to 21st century, or only a chosen few, will enter into the coming century and millions would be left not only in the 20th century but perhaps in the 19th century.

This apprehension is justified from your list of priorities. When according to the Government document -- (Challenges of Education -- Policy Perspective) nearly two hundred thousand schools do not have more than one teacher in the rural areas, your priority seems to have model school at every district. Even agreeing to the need of such school, one wonders what should be our priority. All the so-called long-term policies prescribed by your colleagues in-charge of economic ministries, do not ensure steady growth of the economy with social justice which is the core of our economic planning. The resource constraints visible to fund the plan, the serious balance of payment situation, rising prices, do not speak well of the management of the economy.

In view of these serious devel-

opments one expected that you would concentrate your energies in solving these national issues affecting our life, but unfortunately, instead of doing that you are busy in building up your own coterie with the discredited persons who deserted your mother at the most difficult time of her political career.

I have no malice against any individual, but when one finds that a large number of your appointees in the Cabinet, gubernatorial posts, party offices, are the same persons who not only deserted her but tried to persuade me in leaving her company. The inevitable result is the alround frustration among the Congressmen in the country. One should remember strength of Congress lies in its mass support and this support never comes from the drawingrooms of the elites but from the masses working in the field and factory.

Congress is a mass organisation. Open and universal membership to this organisation has sometimes been misused by a coterie. Here I am giving a classic example of misuse in UP. Although 31st March, 1986 was the last date for enrolment of members, yet thousands of copies of membership forms and huge sums of money were distributed all over UP after the last date. Even as late as 12th of April within the UPCC office new members were being enrolled and large sums of money were being deposited. People belonging to opposition parties like Lok Dal, BJP and Janata have been enrolled as members. All this points to a grand design of the "POWER BROKERS" to capture the organisation through a sham party election. I, therefore, strongly urge that a thorough inquiry be made (a) into the whole affair of enrolling bogus members and (b) the source of huge sums of money which are flowing to finance the same. Further, I would like to know what is the justification of changing five PCC presidents and reconstituting scores of District Congress Committees once the organisational elections are

round the corner. Such ad hoc appointments at this stage only serve to confirm the worst fears that organisational elections will be a mere meaningless ritual.

My contention is that, Congress is rapidly losing its contact with the masses and you are surrounded by a number of sycophants who were not only "Indira baiters" but most of them were "Indira haters".

The message you conveyed by your action in the last 16 months indicate that those who were close to your mother are mostly untouchable to you. As I mentioned earlier, I have no malice against anyone nor have I anything to receive from anybody. I am writing this, only to express the feelings of hundreds and thousands of Congressmen and women who love this organisation as their second religion. I am sorry if my language is less than polite and it hurts you. I have no intention to hurting you. My relation to your family goes back to the twenties. I took the pledge of serving my motherland under the guidance of your great grandfather Shri Motilal Ji and since then I have identified myself with your family through generations. You are so dear to me and I wish you only success. My loyalty to your family is not out of respect to the office, as I frequently said to your mother and I am reiterating that I am not loyal to Prime Minister but to Indiraji. There is no lack of goodwill and affection to you but at the same time as an elderly Congressman, who has seen so much, I thought it would be my responsibility to tell you the truth and make you aware of the pitfalls.

I urge upon you to save the Congress because if the Congress is finished the great ideals of democracy, socialism, secularism and non-alignment also cannot survive and the country will disintegrate.

With warm regards,

Yours sincerely  
(Kamlapati Tripathi),  
MP  
(Working President)

Change of 'Tune'

Bombay THE TIMES OF INDIA in English 31 May 86 p 1

[Text]

NEW DELHI, May 30: In a desperate bid to retrieve lost ground, Mr. Tripathi has written a third letter to Mr. Gandhi, about a week ago, denouncing Mr. Pranab Mukherjee for attacking the Prime Minister.

"I had written to you on May 15 to withdraw the expulsion order on Mr. Mukherjee. But I think the situation has now changed. I have seen a statement by Mr. Mukherjee on May 20. I was extremely grieved to see the statement. In my opinion, the statement should be condemned," Mr. Tripathi said in his letter.

Mr. Mukherjee's contention, as reported in a section of the press, was that the interests of the Congress and the nation were not safe in the hands of Mr. Gandhi.

It is quite likely that on getting wind of this third letter by Mr. Tripathi, the group calling itself the "Indira loyalists" swung into action and released to the press the full text of the Congress working president's April 22 letter to Mr. Gandhi.

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CSO: 4600/1823



INDIA

GHANDI MESSAGE TO UNGA PLEDGES SUPPORT FOR AFRICA

New Delhi PATRIOT in English 28 May 86 p 7

[Text]

**United Nations, May 27 (PTI)**—Prime Minister Rajiv Gandhi today pledged, on behalf of the non-aligned movement, all possible help for development of Africa which is facing a severe economic crisis.

In a message, Mr Gandhi told a special session of UN General Assembly on critical economic situation in the continent that the international community had a great opportunity and a challenge to contribute towards building a modern and prosperous Africa.

An economically strong and dynamic Africa will be an important factor for world peace and stability, he added.

Minister of State for External Affairs K R Narayanan read out Mr Gandhi's message to the four-day session which opened here today.

It is the first time that the General Assembly is meeting in special session to consider the situation of a particular continent.

Mr Gandhi, who toured some of the frontline African states recently, said he had seen the reality as well as the potential of Africa. Faced with political

challenges and the disruption caused by the world economic crisis, the people and the leaders of Africa have emerged stronger and more determined, he said.

He recalled that much had been achieved through international cooperation to alleviate suffering caused by famine in Africa, but stressed that much more was needed to be done now. A foundation for self-reliant and sustained development of Africa must be laid, Mr Gandhi emphasised.

The non-aligned, he said, had a keen sense of solidarity with the countries of Africa in their struggle against poverty and against the tyranny of apartheid. Members of the movement had contributed generously towards meeting the emergency situation there and had stood ready to do whatever more was possible for the rehabilitation and longer term development of the African economies.

Mr Gandhi expressed the hope that the special session would be a landmark in Africa's development and a turning point for international cooperation in

general. The session is being attended by several African leaders.

In his address to the session, Mr Narayanan said there had been considerable discussion about an appropriate framework for the development of Africa. But he emphasised that instead of trying to impose a framework from outside, the African governments should be enabled to determine their own priorities in accordance with their own social, economic and political circumstances.

Speaking for India as well as rest of the non-aligned movement, Mr Narayanan supported the priority programme for the development of the continent prepared by African nations themselves. The programme would need mobilisation of all the domestic resources of Africa and active material support of international community.

Mr Narayanan said the crisis facing Africa, just as in the case of developing countries in general, was to a large extent the consequence of external forces beyond its control.

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CSO: 4600/1814

INDIA

BARNALA REACTION TO TRIBUNAL FORMULA REPORTED

Bombay THE TIMES OF INDIA in English 28 May 86 p 1

[Text]

CHANDIGARH, May 27.

**T**HE Punjab chief minister, Mr. Surjit Singh Barnala, today said the state government could make a provision for handing over to Haryana a compact Hindi-speaking area of 6,000 hectares in the Rajpura tehsil of Patiala district, if Haryana proposed to locate its capital there.

Replying to questions by a group of newsmen who met him at his office, Mr. Barnala noted that the location of Haryana's capital in the area would be "of some advantage" to Punjab.

He said the Venkataramiah commission, set up to identify Hindi-speaking areas of Punjab to be transferred to Haryana in lieu of Chandigarh, had proposed that a settlement could be reached if Punjab agreed to transfer a compact area of 6,000 hectares to Haryana for building its capital.

Mr. Barnala said he had told counsel for Punjab to convey to the commission that its proposal could be considered, if Haryana decided to locate its capital in the specified area. The chief minister noted that in this context Punjab had indicated some areas that could be transferred to Haryana.

The commission is expected to meet in New Delhi on Friday for further discussions on the matter. Mr. Barnala

expressed the hope the commission would be able to announce its decision by the end of this month.

The Haryana cabinet also met here today to discuss the Venkataramiah commission's proposal to transfer 6,000 hectares of land in Punjab in lieu of Chandigarh and making the Centre agree to bear the cost of constructing the new capital of Haryana.

Talking to newsmen after the cabinet meeting, the chief minister, Mr. Bhajan Lal, declined to disclose the views of the cabinet about the proposal. The time was not appropriate to say anything on the subject, the chief minister said.

It is, however, understood that the cabinet as well as the Haryana MPs with whom the chief minister had consultations earlier, have not responded favourably to the proposal.

Some ministers and MPs are reportedly, of the view that Haryana should be given an area equivalent to 107 villages, including the two towns of Abohar and Fazilka, to honour the commitment of the late Mrs Indira Gandhi to the state.

Mr. Bhajan Lal said he had discussed the proposal with the commission as well as the Prime Minister, Mr. Rajiv Gandhi.

Though the construction of the Sutlej-Yamuna link canal was outside the purview of the commission, he had urged the Prime Minister for the early completion of the canal.

He said there was no hope of its completion by August 15 next as stipulated in the accord as the entire land for

it had not yet been acquired by the Punjab government.

When reminded that it was not within the terms of reference of the commission to strive for a negotiated settlement, Mr. Bajan Lal said there was no harm in it provided the interest of Haryana were safeguarded. The chief minister expressed the hope that the interests of Haryana would be safe in the hands of the commission and the Prime Minister.

Asked whether he had been given any list of villages to be transferred to Haryana in lieu of Chandigarh, Mr. Bhajan Lal said, a list of about 35 villages had been shown to him.

But Haryana's stand, the chief minister pointed out, was that the 1981 census was biased which was proved by the fact that even the Mathew commission rejected it and ordered a fresh census in Abohar and Fazilka. In 1961 census was correct and according to it about 300 villages near Chandigarh were Hindi-speaking which should be given to Haryana.

Meanwhile the speaker of the Punjab vidhan sabha, Mr. Ravi Inder Singh, has quit and has forwarded his letter of resignation to the governor, Mr. S. S. Ray, according to a statement made available to a section of the press.

Neither the governor nor Mr. Ravi Inder Singh were available here to confirm the resignation report. Mr. Ray, who left yesterday for a tour of Amritsar and Gurdaspur, is expected to return tomorrow. Mr. Ravi Inder Singh is reported to have left for Kulu after attending office for a couple of hours today morning.

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CSO: 4600/1813

INDIA

PANEL NOTES CONCERN OVER TREATMENT OF HARIJANS

Bombay THE TIMES OF INDIA in English 28 May 86 p 12

[Text]

NEW DELHI, May 27 (PTI):

**A** PARLIAMENTARY committee has expressed serious concern over the increase in the number of crimes against the scheduled castes and scheduled tribes mostly in the northern states.

It has strongly recommended setting up of special courts both at the state and district levels to expedite disposal of pending cases. The committee on welfare of scheduled castes and scheduled tribes, in its report presented in parliament during the budget session, also expressed dissatisfaction over the government decision to transfer the subject of atrocities on these communities from the ministry of home affairs to a separate ministry of welfare.

The committee felt that the ministry of welfare would not be able to deal with this problem more efficiently.

**WELFARE MINISTER**

It pointed out that the cases of atrocities are closely connected with the law and order problem and if the ministry of welfare has to seek the assistance of the home ministry either in getting information or issuing the necessary directives to the state governments and Union territory administrations, "it would only result in avoidable delays".

In view of these considerations, the committee recommended that implementation of all welfare programmes for the socio-economic development of the scheduled castes and scheduled tribes should be dealt with by the ministry of welfare.

But as far as the subject of atrocities against them are concerned these

"legitimately be re-entrusted" to the ministry of home affairs which has all the machinery for maintenance of law and order and channel of communication of orders and instructions (to the state governments and Union territory administrations) at their command, the committee said.

It noted that the number of crimes against these weaker communities are very high in Bihar, Gujarat, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu and Uttar Pradesh.

According to the statement furnished by the government to the committee about the progress of cases regarding crimes against the scheduled castes between 1982 and 1984, Uttar Pradesh topped the list followed by Bihar, Madhya Pradesh and Rajasthan.

While the north-eastern states of Assam, Meghalaya, Manipur, Nagaland, Tripura, Sikkim, Mizoram and Arunachal Pradesh are free from this social evil, the neighbouring states of West Bengal and Orissa are at the bottom of the list with the average pending cases being below 50 during these years.

The number of pending cases in Uttar Pradesh was 14,754 during 1983 while a total of 606 accused were convicted and 981 acquitted during the period.

Observing that special courts have been set-up in Andhra Pradesh, Bihar, Rajasthan, Tamil Nadu and Madhya Pradesh, the committee was "perturbed" to note that Uttar Pradesh, which accounted for the highest number of pending cases, have not set up any special court to expedite the disposal of such cases.

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CSO: 4600/1813

INDIA

## ORDINANCE ON PANEL REPORTS RULED CONSTITUTIONAL

Bombay THE TIMES OF INDIA in English 31 May 86 pp 1, 9

[Text]

NEW DELHI, May 30 (PTI):

THE Delhi high court today upheld the constitutional validity of the presidential ordinance empowering the government to withhold reports of commissions of inquiry from parliament and state legislatures while dismissing a plea of Mr. P. N. Lekhi, counsel for Satwant Singh, to make the Thakkar commission report public.

Delivering its 23-page judgment, a division bench comprising Mr. Justice B. N. Kirpal and Mr. Justice M. K. Chawla held that the ordinance and the notification did not violate the fundamental right of Satwant Singh, under Article 21 of the constitution.

Mr. Justice Kirpal and Mr. Justice Chawla, who had reserved their judgment on May 26 after hearing arguments of Mr. Lekhi and Mr. R. K. Anand, standing counsel for Union of India, observed that the ultimate decision as to whether reports of the commission should be tabled before parliament was to be taken by the house of people itself.

The division bench held that there was considerable force in the contention of Mr. Anand that parliament must take a decision before the court went into the question of whether the notification and the consequent decision of the house of the people was valid or not.

However, the judges pointed out that "the impugned notification has not been authenticated in the manner provided by Article 77(2) of the constitution."

"Nevertheless, it is open to the respondents, if called upon to do so, to prove and show to the court that a decision on behalf of the Central government has been taken by a person who had been duly authorised and empowered to take such a decision", the judges said.

The court further noted that if Mr Lekhi wanted to challenge the authority of the minister of state for home (internal security), Mr Arun Nehru, to take a decision to issue the notification, the counsel ought to have raised the contention in the writ petition itself.

The commission, headed by Mr. Justice M. P. Thakkar, a sitting judge of the supreme court, was set up by the government on November 20, 1984, to inquire into lapses in Mrs. Gandhi's security and conspiracy, if any, leading to her assassination. The commission submitted two reports on November 19, last year and February 27 this year.

The Central government, through Mr. Anand, had told the court in its reply that the Thakkar commission report should not be made public in the interest of the country's security and also in public interest.

Mr. Anand, during arguments, had told the court that the publication of the report could "inflamm communal passions". Mr. Justice Thakkar had observed that proceedings of the com-

mission were held in camera and its report should not be made public.

Mr. Justice Kirpal and Mr. Justice Chawla held that the report of the commission was nothing more than an opinion and "we fail to see how the non-disclosure of such a report can in any way violate the petitioner's rights under Article 21."

The division bench observed "even if we assume that the report of the commission had been made public, and was made available to the petitioner (Satwant), we are doubtful whether the report would even be admissible as a substantive piece of evidence."

"At best it may be admissible, if at all, only as an opinion expressed by the commission. Any opinion so expressed can under no circumstances be binding on any court of law", the judges said.

#### **'HIDDEN HAND'**

Mr. Lekhi had submitted in his amended writ petition that the "innocence" of Satwant lay in the report. "There was a hidden hand which was interested in not uncovering the truth leading to Mrs. Gandhi's assassination", the defence counsel said.

The division bench left it to the full-bench comprising Mr. Justice S. Ranganathan, Mr. Justice Kirpal and Mr. Justice Chawla hearing the appeals and murder reference of Satwant Singh, Kehar Singh and Balbir Singh,

to decide if statements of witnesses before the Thakkar commission could be supplied to the petitioner. It was agreed by both Mr. Lekhi and Mr. Anand that the statements did not form part of the commission report.

The judges held that "it will not be proper for this court, while exercising its jurisdiction under Article 226 of the constitution to go into the question as to whether the petitioner was or was not entitled to get copies of the statements of witnesses recorded by the commission."

"If the petitioner had any grievance in the trial court for not allowing the statements (before Thakkar commission) being summoned, then it was open to him to challenge the action in the appeal pending in this court," the bench observed.

Under Article 21, Mr. Lekhi had submitted that Satwant Singh had a right to the copies of the statements of witnesses before the Thakkar commission in case it was necessary to contradict statements made by them before the trial court.

The special judge, Mr. Mahesh Chandra, in his January 22 judgment had sentenced Satwant, Kehar and Balbir to death for murder and conspiracy to kill Mrs. Gandhi.

#### **NOT JUDICIAL PROBE**

Mr. Justice Kirpal and Mr. Justice Chawla further noted that the Thakkar

commission had no power of adjudication in the "sense of passing an order which can be enforced *proprio vigore*." The report of the commission could not be looked upon as a judicial inquiry, they added.

Elaborating on the role of a commission of inquiry, the judges said it was constituted to inquire into definite matters of public importance, and the report submitted to the government helped the authorities to chalk out the future course of action.

The court further said there was nothing in the constitution which would debar parliament from enacting a valid law changing a procedure.

Allowing the defence counsel, Mr. Lekhi, to amend his petition, the bench had observed that in view of the 'facts which have arisen after filing the writ petition, the amendment ought to be allowed.'

In the earlier hearings, after the promulgation of the ordinance, the home secretary, Mr. R. D. Pradhan, in the Central government's affidavit, had said "the legality and constitutional validity of the presidential ordinance amending Section Three of the Commissions of Enquiry Act cannot be challenged in a court of law."

The allegation that the ordinance and the notification were promulgated and made for extraneous considerations was also refuted by the respondents.

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CSO: 4600/1823



INDIA

## DELHI LIBERALIZES LICENSING RULES FOR 65 INDUSTRIES

Madras THE HINDU in English 29 May 86 p 1

[Text]

NEW DELHI, May 28.

The Union Government today announced a fresh dose of liberalisation of the licensing rules relating to capacity re-endorsement of existing units in a broad spectrum of industries to enable them to achieve economies of scale.

It also prescribed an industrywise minimum operational capacity so that manufacturing units in 65 different industries ranging from drugs to automobiles can attain true economies of scale.

Announcing the Government's decision, Mr. S. D. Srivastava, Secretary in the Ministry of Industries, told newsmen that the Government wanted entrepreneurs to take the maximum advantage of the new scheme. More units would very soon be added to the list of 65 industries, he added.

The 65 industries include synthetic fibres and other petro-chemical products, drugs like aspirin, penicillins, vitamin C, and cloroquin, colour television, VCRs, VCPs, picture tubes, the whole range of automobiles, tyres, batteries, mini-steel plants, cold and hot rolled strip units and aluminium extrusions.

Mr. Srivastava explained that endorsement of higher capacity for the existing undertakings would be made on the satisfaction of a few conditions like clearance from the environmental

angle and non-encroachment into areas reserved for the small scale sector.

Decisions on requests for capacity re-endorsement would be given within 14 days of application. No separate application would be needed for MRTP clearance in respect of large houses. One copy of the application would be automatically forwarded to the Department of Company Affairs. Public hearings have been dispensed with.

The Industries Secretary explained that in terms of the decision announced last January manufacturers could seek re-endorsement up to one-third of their existing capacity if 80 per cent or more of the capacity had been utilised.

"As a policy the Government would actively encourage expansion of capacities of existing undertakings to achieve the suggested minimum economic levels of operation where the existing installed capacity falls short of such levels," said a press note.

While there was no bar on the establishment of small units for the manufacture of any or all of the 65 items liberalised today, the Industries Secretary conceded that the present decision would be a disincentive for units with sub-optimal capacities.

/9317

CSO: 4600/1815

INDIA

BUMPER HARVEST EXPECTED DESPITE NATURAL CALAMITIES

New Delhi PATRIOT in English 28 May 86 p 5

[Text]

India has successfully demonstrated that it has broken through the stranglehold of droughts and floods and asserted its ability to pull off a bumper harvest even in the midst of serious natural calamities, reports PTL.

Though the country fell short by 15 million tonnes in achieving the total foodgrains target of 159.2 million tonnes set for 1985-86 owing to natural disasters, it registered an all time record production of 62 million tonnes of rice and 47 million tonnes of wheat.

For the current year, 1986-87, the country has set for itself a target of 65 million tonnes of rice and 49 million tonnes of wheat.

The causes for the country's performance on the food front last year are, however, not far to seek.

Coverage of an additional 3.4 million hectares under the high-yielding varieties of rice and wheat, free distribution of 17 lakh minikits of new varieties of seeds among poor farmers, 200 quintals of rust-resistant seeds of wheat in northern and southern hill areas, increased consumption of fertilisers, more irrigation waters, newer farming methods, and raising of multi-crops all contributed to give a new deal to the country's agriculture.

Droughts and floods had always occurred in the country especially in the last five years from 1980-81 causing losses of foodgrains in various degrees.

Nevertheless, the production of rice and wheat maintained a steady and upward trend throughout, though production of rice fell by six million tonnes in 1982-83, official figures showed.

These figures showed that the production of rice fell slightly from 53.63 million tonnes in 1980-81 to 53.25 million tonnes in 1981-82, and to 47.12 million tonnes in 1982-83, to rise impressively to 60.10 million tonnes in 1983-84 only to fall again to 58.61 million tonnes in 1984-85.

Similarly, wheat production rose steadily from 56.31 million tonnes in 1980-81 to 37.45 million tonnes in 1981-82, to 42.79 million tonnes in 1982-83, and to 45.48 million tonnes in 1983-84, only to fall to 44.23 million tonnes in 1984-85.

The trend showed the resilience gained in their production levels indicating that the country had no serious problems in meeting fully its internal consumption requirement despite drought or floods.

In the absence of any substantial export commitments, the country's total foodgrains stocks had been pushed up to an almost unmanageable level of nearly 30

million tonnes by now, throwing up the problems of storage and finding precious financial resources for holding the stocks as against country's safe required level of 22 million tonnes of buffer stocks.

The production of maize, bajra and jowar had shown a wide fluctuation during the Sixth Plan period. As against a target of 33.5 million tonnes for 1984-85, actual production was only 31.16 million tonnes.

In 1983-84, the Sixth Plan target was exceeded through a record production of 33.90 million tonnes. The fall in 1984-85 was owing to a shrinkage in area, which went down to 39.16 million hectare from 41.70 million hectare in the previous year.

During the Seventh Plan, the effort is to stabilise the production at a higher level through conservation of soil moisture and its efficient utilisation by adoption of dryland farming techniques.

Integrated watershed concept will be adopted in rainfed areas and enhancing production and productivity of crops. A target of 32 million tonnes has been adopted for 1986-87.

In 1985-86, a total area of 58.8 million hectare was targetted for bringing under high-yielding varieties of crops against an anticipated achievement of 55.42 million hectare during 1984-85.

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CSO: 4600/1814

INDIA

## MINISTRY CIRCULATES DRAFT REPORT ON RIVER LINKS

Bombay THE TIMES OF INDIA in English 14 May 86 p 9

[Text]

SURAT, May 13.

**A** DETAILED feasibility report on the development of the major river systems of the country is expected to be finalised by the end of the present decade, marking culmination of the first phase of the ambitious national water resources development programme.

The outline note on the national perspective of water resources development prepared by the Union ministry of irrigation in 1980, envisages development of the major river systems of the country under two main components, the Himalayan rivers and peninsular rivers.

As a part of the peninsular rivers development programme, the proposal has been to interlink the west-flowing rivers north of Bombay and west of Tapi. This proposal envisages two link canals: one, from Damanganga, towards north as connection to Tapi and Narmba rivers backed by as many storage tanks as possible on the rivers and two, from the Damanganga to the south with as much storage facility as feasible, for water supply to the metropolitan region of Bombay.

### OUTLINE NOTE

While circulating the outline note to the Maharashtra and Gujarat governments, the Union ministry of irrigation called for master plans aimed at optimal utilisation of water resources of

the west-flowing rivers, south of Tapi and north of Bombay — Mindela, Purna, Ambica, Auranga, Par, Kolak, Damanganga, Vaitarna and Ulhas — and for the diversion of surplus waters from these rivers through the two link canals for utilisation in the areas where water is badly needed.

In compliance of the said instructions, both Gujarat and Maharashtra have submitted their proposals for their respective territories along with proposals for interlinking the rivers for diverting the surplus water to the needy areas.

The detailed feasibility reports are expected to be completed within the next three years.

### SUPPLY TO BOMBAY

Of the total catchment of Damanganga and Par basins (3,960 sq kms), about 55 per cent (2,165 sq kms) of the combined catchment lies in Maharashtra while the remaining is in Gujarat and the Union territory. Maharashtra proposes to utilise the augmented reserves for power generation and to transfer the surplus waters of Damanganga for water supply to Bombay as well as to meet irrigation requirements enroute.

Gujarat is, meanwhile, constructing a major irrigation project across Damanganga near Madhuban as a joint venture with the Union territory. Besides, it is proposing two more irrigation projects on Par near Mohankavchali and near Nar Paikad.

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CSO: 4600/1806

IRAN

OPPOSITION PAPER ON PLANS TO HALT PUBLICATION OF ALL PAPERS

GF151148 London KEYHAN in Persian 5 Jun 86 p 2

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadah]

[Text] Tehran--KEYHAN News Service--The Islamic Republic has arranged to close down all newspapers in Iran. It was announced in the Majlis that in view of the shortage of newsprint it was no longer necessary for all kinds of newspapers to appear in Tehran every morning or evening or every week. Only two newspapers are sufficient--one morning paper and one evening paper.

Although the Islamic Republic exercises strict control over the papers confiscated by the regime and also some other papers, it is not happy with them. During the past 2 weeks some Majlis deputies said it would be much better to close these papers, since they have nothing to write about and if they do write they write on the same subject. The latest proposal for closing the papers was made by Majlis Deputy Akrami, the brother of the minister of education. This proposal was made in the Majlis session last Sunday during a debate on the culture of unnecessary publications and papers.

Akrami has made this proposal on a hint from the government. He said: A morning and evening paper are sufficient because their subject matter was the same.

According to informed circles it has been decided that only the Islamic Republic paper should be published in the mornings, and in the evenings there should be one of the two confiscated papers--KEYHAN or ETTELA'AT. This also means that newspapers like ABRAR, which is opposed to the government and is an organ of a minority of 90 Majlis deputies, should suspend publication. Similarly, they demand the shutting down of publications of the liberation movement.

Simultaneously with the submission of Akrami's proposal in the Majlis, sellers and the Ministry of Commerce announced that the biggest purchasers and consumers of paper are government organizations who besides daily needs use paper for drawing portraits, various publications, and propaganda booklets.

Government authorities have announced that there is a shortage of paper in Iran and that the government cannot spend large sums of foreign exchange on newsprint. For this reason it was decided to shut down unnecessary and useless newspapers.

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CSO: 4640/380

PAKISTAN

ECONOMIC MANAGEMENT TERMED 'INEPT' IN ARTICLE

Lahore VIEWPOINT in English 5 Jun 86 pp 5-6

[Text]

EXPERTS will comment more competently on the new Budget as a job of accountancy, the manner in which resources are to be acquired and allocated, and the expertise with which a picture of confident viability – if not healthy solvency – is being presented to the world. Sectional interests will debate keenly and at length the selective reliefs given to certain categories of citizens or the niggardly concessions made in respect of certain taxes, as against the increase in levies and rates imposed on a number of essential goods and services to meet the record deficit. However, no matter what varying conclusions are reached by an examination of the adjustments made in respect of revenue and expenditure by the team of masterly jugglers of figures, the Budget offers no prospect of change in the dismal overall situation.

Even a cursory survey of budgetary policies over recent years and their results compels one to conclude that the national economy has been badly managed. The new Budget, as an indicator of Government's economic strategy, is no exception. Pakistan's unbalanced fiscal policies, the sacrifice of longterm gain for ephemeral

advantage, are guided by factors that are not secret. It is widely known that these policies have been evolved under the firm advice of the IMF and the World Bank; further, these institutions enjoy a commonality of aim and interest with elitist power-brokers and those ensconced in decision-making positions, namely, to preserve the existing socio-economic set-up and even regress to antediluvian economic values. These goals are expected to protect indigenous vested interests and ensure political and economic directions that suit the governments of the Western aid-givers.

The gravamen of the charge that Pakistan's economic management is in inept hands, voiced by most independent economists, is substantiated by them with incontrovertible evidence. Reports and guidelines issued by the World Bank make it plain that the Pakistan Government is expected to carry out a threepronged policy: import liberalization, reduction of subsidies with increase in service charges, and adjustment in the exchange value of the rupee. Although changing explanations are offered for each measure, the fact that they are part of the World Bank's conditionality



has not been denied seriously. Nor can it be shown that these policies give Pakistan's economy the strength it needs to survive in a competitive world. Carrying out these directives has meant that Pakistan's attention has been focussed on developing its agriculture at the cost of neglecting its nascent industries, as can be seen by the fact that the gains scored in terms of the GNP over the last eight years relate largely to agriculture. Then, virtually unchecked imports have created pressures that most industrial sectors have not been able to withstand. Then, devaluation by about 40 per cent has increased the debt burden and added to the rise in inflationary prices which make Pakistani goods unsaleable because of high manufacturing costs.

At the same time, the steady rise in the cost of living has made life more difficult for the vast majority of our people. It has been estimated by the ILO that at least 45 per cent of Pakistan's population is unable to afford a diet with a calory content considered essential for health; and 62 per cent of the population cannot obtain potable water. Acute shortages exist in the matter of housing, health and education. Pakistan's debt burden has risen in thirteen years from three billion to thirteen billion dollars. In 1977 as much as 44 per cent of gross disbursements were utilized by way of debt servicing of old loans, but by 1983 this had mounted to 87 per cent. This trend continues and future figures will be even more horrendous, making the Western loans more barren of honest purpose.

In these circumstances, the pedestrian five-point programme

offered by Prime Minister Junejo, which is supposed to be the basis of current economic planning, cannot be regarded as a genuine attempt to bring about the industrial revival and revitalisation of agriculture needed for Pakistan's economic recovery. These five points have figured on the agenda of every government in this region since the late thirties. Nor is there any guarantee, judging by its first year in office, that the present regime will make the implementation of policies any more efficient. In fact, in some ways, the pandering to bureaucratic pride and localbody-type politicians' greed has become much worse; and since vast sums of money are being expended on meaningless extravagance, there is little hope that the proposed expansion of facilities for health and mass education will produce results. Then, the basic approach of the present Government prevents it from taking measures needed to improve industrial productivity or restore a better balance in our terms of trade. As long as it cannot end its dependence on loans and consequent subservience to the World Bank, it will not be able to devise policies that can further the interest of the national economy. The accretion of foreign debts pressed on us for various reasons will continue, and our yearly liabilities will soon reach the frightening figure of one billion dollars. Further, the adverse international situation is likely to deprive us of cushions that have saved us from more painful falls. Remittances from abroad, which have helped to protect us of bankruptcy, are likely to fall steadily; exposing the myopic failure of our planners to use this vast re-

source to build the country's economy. What is more, no attempt is being made to reduce the vast expenditure devoted to the administration and other non-productive heads.

Such a mess has been made of our economy that it will not be easy for any government to set things right quickly. It is suggested, therefore, that all democratic political parties should prepare plans that will help to save Pakistan from the grave consequences of the profligate and wasteful expenditure that has been undertaken over the last decade and then begin to stabilize the country's economy. This must include rational land reforms, and a reasonable tax on agricultural incomes. Equally important is the establishment of essential

industries that will give Pakistan the infrastructure it needs for its future economic development and the development of human resources, as well as improvement in the quality of the common man's life. One cannot visualise any such basic changes taking place without political change that allows the emergence of a genuinely democratic polity with proper attention being given to the problems of the country's neglected provinces. Failure to move speedily towards these vital goals not only distances them further, but it may mean that the present situation will worsen year by year pushing Pakistan into the sort of crisis faced by many Third World countries favoured by the World Bank.

/9317

CSO: 4600/377

PAKISTAN

COMMENTARY ON BUDGET CHARGES BIAS FOR RICH

Lahore VIEWPOINT in English 5 Jun 86 pp 9-11

[Article by Shahid Kardar]

[Text]

THE ANNOUNCEMENT of the Annual Budget is an important event as it refers to critical issues of the domestic economy which have a bearing on our daily working lives. How does the 1986-87 Budget affect us? Does it burden the various classes and interest groups to the same degree? Do these policies merely represent a political compromise or are there other, external, factors which have compelled the regime to opt for its present strategy?

To answer these questions we propose to examine the Budget in terms of the impact it will have on two economic classes, the feudals and the industrialists, and on the two generic groups, the rich and the poor. We will also briefly touch upon policies and conditionalities devised by the IMF and World Bank and included in this Budget.

Continuity

It should be clarified at the outset that the 1986-87 Budget cannot be faulted on continuity. Although the massive tax concessions made available to the business community and the rich in the 1985-86 budget are missing this time around, nevertheless the 1986-87 Budget is in consonance with the directional shift in policy introduced since 1978, although sharply pronounced only in last year's Budget. It maintains the

pro-rich strain although the enthusiasm for tax cuts and fiscal concessions, for the privileged shown in the 1985-86 Budget, is much more subdued.

As suggested above, the broad contours of the strategy underlying the Budget have been evident for some time now. The strategy seeks encouragement to production and consumption of luxury goods to a much greater extent than ever explicitly permitted in the past — the appetite of the rich for durable consumption goods being whetted by tax reliefs and concessions.

Let us now proceed to examine its impact on the different economic classes/groups.

Without doubt, the main beneficiaries are the feudals who considered themselves to have been left out of the distribution of bounties under the 1985-86 Budget.

For the larger landlords (who own 41% of the agricultural land) the Budget has brought welcome tidings.

- i. Their income continues to be exempt from taxation.
- ii. Their cotton is to be purchased at prices so high that the Government can only export it by suffering a loss of Rs. 2.2 billion
- iii. The operational charge of their tubewells is being lowered, while their fertilizer continues

to be subsidized (costing approximately Rs. 1.85 billion).

- iv. They are to be provided more funds by permitting them to use their land as security on the basis of its market value, while they continue to pay wealth tax on the basis of land valued at the much lower produce index unit rate, loans that they will be allowed to use for trading and other non-agricultural activities. This measure will promote absentee landlordism and encourage the transfer of resources out of agriculture into other avenues, such as real estate and non-productive trading activities.
- v. The support prices of their wheat, basmati rice and sugarcane have been raised by 10-15%.
- vi. All infrastructural development in the agriculture and rural sectors is to be financed by the Government without any contribution from them.

They will also siphon off a very high proportion of the expenditure on the so-called rural uplift schemes. The development funds will find their way into the coffers of the rich in the rural areas — operating as construction contractors and middlemen, especially with more funds being placed at their disposal. It is no wonder that the rural elite are constantly harping on the poverty of the rural areas. They seek Government patronage to get the sort of advantages appropriated by the urban business community from the Government through other policy measures.

### Industrialists

The industrialists seem to be unenthusiastic about the 1986-87 Budget. From most accounts, the Budget appears to have been received coldly by them, in sharp contrast to the joy with which they had welcomed the 1985-86 Budget; in spite of the FM's attempt to play the role of Santa Claus for everyone through small cuts in oil/kerosene prices, downward adjustments of some

excise duties and sales taxes, reduction in import duty on machinery and indexation of wages and salaries.

They are expressing their misgivings and fears over the FM's reversal from the future path declared under the 1985-86 Budget. They are wondering if the Government is serious about its liberalization programme, especially when the FM suggests that these steps had to be taken to mobilise resources for financing the PM's ambitious 5-point programme.

They are disappointed that there is still no clear policy on liberalisation. Nor have the much-awaited tax concessions been granted to private limited companies in the manner that these were offered to quoted companies last year.

They feel that there is a partial backtracking from the liberalization drive promised as a sequel to the 1985-86 Budget, although customs duties on plant/equipment and components have been reduced to 20%. It should also be stated here that this policy of import liberalisation and concessions to developed countries' exports of plant and equipment and industrial raw materials is a crucial component of the IMF-sponsored economic package.

### Contradictory

Again, little thought appears to have gone into the decision to lower import duties on plant and equipment and raw material inputs. This policy of opening the economy to foreigners could not only administer a telling blow to the improved foreign exchange reserves but could also cause grievous damage to the domestic engineering goods sector and to the oft-repeated goal of self-reliance. Moreover, the policy of lower customs duties runs contrary to the tax and customs duty incentives offered to the engineering sector in the same Budget. The manufacturers of machinery, especially textile machinery, which include a number of public sector undertakings, are thus being taken for a ride towards ultimate bankruptcy.

One measure, introduced at the insistence of the IMF and the World Bank, the elimination of the export rebate of Rs. 2.3 billion, may have delivered, with one stroke, a near fatal blow to the highly-publicised recent increase in exports, especially of the garment, shoe, and carpet industries — unless, of course, the rupee is devalued further, and soon. In the highly trying circumstances of today, especially for textiles, exports will fall because of their price in competitiveness. To maintain exports the rupee value would have to be depreciated, which in turn would make imports expensive for all sectors of the economy, thereby pushing up prices and domestic costs of production all round. This in turn will affect export competitiveness, necessitating a further reduction in the value of the rupee, and so on. The strategy being imposed by the international lending agencies has an inbuilt logic which will generate into motion a vicious circle from which there will be no escape route as our dependence on these agencies increases progressively over time.

### Political necessity

The more sensible course regarding the rebate facility, and which the IMF would have been willing to consider, if the fertilizer subsidy had been withdrawn, would have been its reduction in phases, say, spread over three years, so that the adjustment process can be eased and the adverse effects of a sudden devaluation in the value of the rupee can be minimised. But then, of course, it was politically essential, in view of the feudal lobby in Parliament, to retain the fertilizer subsidy (whose withdrawal the Bank and IMF have been demanding for years) and sacrifice exports instead, thereby placating our mentors in Washington. It should be noted,

however, that exports will continue to get other subsidies like concessional finance, tax rebates and other direct and indirect benefits.

The business and professional circles are already beginning to doubt the ability of the Budget to encourage capital accumulation and promote investment. They are unhappy that the promised liberalization and modernisation is being stopped in its tracks before it could display its results. What is interesting, however, is that last year we were being fed on the theory that the lowering of the tax rates would be a powerful incentive and would stimulate savings, investment and production. But what do we find? Despite the substantial tax reliefs granted last year the industrial index grew by 8.2% as against the target for 1985-86 of 8.7% and the Sixth Plan target of 9.3%.

Before we proceed to examine the implications of the Budget for the rich and the less privileged, let us examine the Government's expenditures and how it proposes to finance them. The manner of their financing is important for the discussion in the rest of the article.

### Expenditures

The Government's non-development expenditures continue to rise relentlessly; the main increase being in general administration, defence, law and order, and debt servicing; these represent around 76% of current expenditure, about the same as last year.

Again, although the non-development budgeted expenditure is Rs. 100.4 billion (already 104% higher than the budgeted development expenditure) the actuals will almost certainly be higher as evidenced by previous experience; for example, for 1985-86 the actual expenditure was Rs. 2 billion more than the budgeted estimate.

Given this astronomical size of the annual recurring expenditure, how will it and the Government's annual development plan expenditure be financed? The answer to this question, in fact, neatly sums up the dilemma confronting the regime.

The Government can finance its expenditures by taxing incomes, by taxing production and consumption and by increasing its borrowings. What then is happening to



overall Government revenues and the contribution of the rich to the Government's administration and development efforts? The Government, we find, is politically unable to tax agricultural incomes while the contribution of direct taxes to revenues continues to decline. For example, direct income taxes for the year 1985-86 were short of their budgeted estimate by almost 20%. For the year 1986-87 they are expected to actually fall (!) by 12.5% in absolute terms (from Rs. 9.9 billion to Rs. 8.7 billion) in sharp contrast to the much-celebrated and widely-accepted claim that tax reliefs raise tax revenues by improving tax compliance. Hence, the secular decline of the contributions of the rich to the Government exchequer continues unabated. Direct taxes are now only 8% of total revenue and 14% of total tax revenues, having fallen from their share of 17% for 1985-86. The fortuitous and heaven-sent savings of almost Rs. 14 billion from the steep reduction in prices of petrol and petroleum products in international markets alone contribute around 14% of the total revenue.

### Indirect taxes

With declining income tax revenues, the Government has, as, in the past, been forced to augment its resources by resorting to indirect taxation, appropriating the benefit of the 70% fall in prices of oil and by increasing internal and external borrowings. The 1986-87 Budget is no exception to the established past trend. It plans to meet its expenditure deficit of Rs. 7.4 billion by disinvesting in shares of profitable public sector units (the sale of revenue-earning public assets), by increasing postage and telephone charges, by the withdrawal of the export rebate, and by raising excise duties and sales taxes.

Higher indirect taxation and the increase in prices of public sector outputs has now become a routine affair. In this Budget the important increases in taxation and administered prices, to a large extent at the behest of the IMF and the Bank, are given below:

- i. Charges for local telephone calls have been raised by 15%.
- ii. Charges for local postage raised by 33%.
- iii. There is an increase in the excise duty on cigarettes, the impact being greater on cheaper quality cigarettes.
- iv. Excise duties on TV to be 10% while indirect taxes on cosmetics to be increased by 30%.

Some of the above-mentioned price increases will, however, not burden the family budget of the rich. For the senior Government officials and company executives the increased cost of telephone calls will be reimbursed through the expense account.

But collections from these measures cannot be enough if the rich have to be given other reliefs (see below) and so borrowings have to be increased. Hence, we see that domestic borrowings, under the rather innocuous label of "Capital Receipts", have risen. Although they are budgeted to increase, in net terms, by only 1.2%, they will almost certainly be much higher by the end of the fiscal year as was demonstrated for 1985-86 when domestic borrowings had to be 37% higher than the budgeted estimates.

As regards borrowings from foreigners, external assistance is expected to rise by 29.5%, contributing to about 59% of the financing for ADP, as against its contribution to 57% of the ADP in 1985-86.

Higher borrowings have now assumed ominous proportions, total internal and external debt per person is already Rs. 3,658, 23% higher than the average national income per earner, with debt servicing rapidly becoming the fastest growing element of the non-development expenditure.

### The pro-rich measures

The Budget offers some important consumer-oriented reliefs to the regime's main supporters, the richer sections of the community. These are discussed below:

As against the increase in prices of cosmetics and colour TVs, there

are significant reductions in customs duties and sales taxes on luxury consumption goods and raw materials/parts and components used in their manufacture.

The more important concessions are as follows:

- i. Customs duty and sales taxes have been reduced by around
  - 12% on parts of motor vehicles
  - 50% on spark plugs
  - 23% on cameras, camera films, projectors
  - 15% on fittings and mountings for suitcases and briefcases
- ii. Customs duties, sales taxes and excise duties have also been lowered on VCRs and flavoured milk
- iii. The highest income tax slab for registered firms has been slashed down to 45% from 60%.
- iv. Prices of petrol, kerosene and furnace oil have been lowered by 2.8%, 9% and 4%, respectively.

The so-called rationalisation and reform of the structure of sales taxes and excise duties has brought benefits for the rich. The above-mentioned large and wide-ranging concessions to the privileged and well-to-do sections of society will accrue to under 2% of the household population.

Although almost US \$ 200 million is being spent on imports of luxury items – cars, air-conditioners, washing machines, soaps, glassware, cutlery, furniture, electric lamps, sanitaryware, cameras, etc., Government policy continues to encourage luxury consumption.

One of the strongest arguments used to support liberalization of imports and lowering of customs duties is that smuggling is encouraged otherwise. In other words the Government's policy of raising excise duties and reducing customs duties will end up encouraging imports. This again has been done under IMF pressure.

### What the poor will get

As for the poor, the main benefit they will be entitled to, as the FM repeatedly reminded us at his Press conference, will be Rs. 10,000, not available during their lifetime, but can be availed provided they arrange their accidental death! But even that will not be an exclusive 'benefit', they will have to share it with the rich.

It is evident from the discussion above that the measures are hardly aimed at the achievement of the objective of a more egalitarian distribution of the surpluses generated. Under the strategy of the 1986-87 Budget, the poor will only get more inflation to cope with because of price increases. They should consider themselves lucky if some of the benefits of the reduction in oil prices and lower customs duties on plant and equipment and raw materials are passed, even partially, to the consumers. These gains will be pocketed by the owners of the means of production and even if some are passed on to the consumers, this will only happen over a longer period whereas the impact of the increase in excise duties and sales taxes will be applied with immediate effect.

### Little impact

The so-called production and productivity improvements have had little impact on the living standards of the poor. Prices of wage goods have continued to rise as the gains of higher production and productivity accrue to the more privileged sections of society.

What the low-income groups need is goods they consume and not goods which the market demands and which are profitable to produce.

Investment and industrialisation cannot take place merely by freeing the private sector and by adopting policies of decontrol and liberalisation. There must be a demand for the goods likely to be produced. As

the poor do not have the purchasing power to stimulate production of wage goods, it is logical for the Government to raise the disposable incomes of the rich. Therefore, production of non-essential goods is encouraged. As the bulk of these goods are being imported or smuggled into the country there was all the more reason that they be produced domestically.

However, luxury consumption goods, whether imported or produced domestically, reduce the society's investible surpluses and resources like raw material, foreign exchange (for importing components) and productive engineering skills.

### Conclusions

The Finance Minister said in his speech that the Budget reflects the hopes and the aspirations of the

nation. It is fairly evident from our discussion above that the 1986-87 Budget certainly does not fall in this category. And his claim that the common man has been given a relief of Rs. 4 billion should be dismissed as a sick joke.

It is critical to bear in mind that the objectives are not merely to show high growth rates but fundamentally of eradicating poverty, providing employment opportunities and reducing inequalities. This is precisely what the policies under the Budget are not aimed at – they are intrinsically anti-poor and anti-employment generating, especially given the policy to ease imports of labour-displacing plant and equipment. Obviously, these objectives have always been part of standard rhetoric without forming part of actual policies implemented.

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CSO: 4600/377

PAKISTAN

BUSINESS GROUPS TERM BUDGET 'DISAPPOINTING'

Lahore THE PAKISTAN TIMES in English 17 Jun 86 p 1

[Text]

Eight Chambers of Commerce and Industry from Punjab on Monday described the 1986-87 Federal Budget as "disappointing and lacking necessary protections and incentives for the business community."

Presidents of the Chambers said at a joint Press conference at the Lahore Chamber of Commerce and Industry that the great expectations attached by the business community from the first budget of the new elected, democratic government had not been fulfilled. They felt that the budget had taken away certain concessions from the industry and given nothing in return.

They said that the engineering industry was the only industry which appeared to have benefitted from the new budget in the form of concessions in Customs Duty and Sales Tax. But even the same industry had not been exempted from these taxes and duties in toto. The Central Board of Revenue had kept the lever in its hand as the exemption would be specified by it later on.

They said that engineering industry should be totally exempted from taxes on import of raw materials and machinery. The Central Board of Revenue should not be allowed to step in to specify the concessions. Moreover all kinds of new industries

should be exempted from taxes for the first five years after installation.

The Chambers Presidents said that the Government had made Self-Assessment Scheme of Income Tax meaningless by withdrawing the immunity clause. They said the business community wanted that the immunity clause should be kept intact and assessee showing 5 per cent increase in income every year should be given immunity against the detailed scrutiny.

They said the condition to file 20 per cent higher returns every year for claiming immunity under the Self-Assessment Scheme had resulted in inflation and big increase in prices over the past six years. Assessee showing 20 per cent increase in income every year since the introduction of the Self-Assessment Scheme in 1979 had pushed their profits up by 250 per cent so far and had been increasing the prices of their merchandise for enhancing their income. This had resulted in inflation and profiteering.

They said that Self-Assessment Scheme should be continued along with the immunity clause and powers of Income Tax officials to reopen old cases for detailed scrutiny should be limited to a maximum of three years as small businessmen could not keep their re-

cords for 10 years as required under the existing law. They said that officials should not be allowed to reopen cases unless they had a proof that the taxpayer had evaded tax.

The fixation of maximum tax limit for individuals and partners of registered firms at 45 per cent was a welcome step. They said that the Government should also reduce the income tax rate on the private limited companies as has been done in case of public limited companies.

They said that tax rate for public limited companies had been reduced from 60 per cent to 40 per cent but the 55 per cent rate for private companies had been maintained. The rate for private companies should be brought on at par with public limited companies. Similarly the dividend of private companies should be exempted from tax like that of public limited companies.

They said that only 361 public limited companies were registered in Pakistan. Of these 60 were sick and inactive. Another 60 were multi-nationals and had the privilege to remit 60 per cent of profits abroad in foreign exchange. The remaining 251 were nationalised. They said that the number of private limited companies had increased from 12,000 to 16,000 after the former Federal Minister announced concessions for such companies but no new company was expected to be floated during the next financial year due to denial of benefits available to public limited companies.

They said that capital goods, spareparts and machinery should be exempted from taxes to facilitate setting up of new industries. This would decrease initial investment of entrepreneurs and cut their cost of production besides saving them from the curse of bank loans. The Regulatory Duty should also be abolished for goods and machinery imported for setting up of new

industries. The steps would enable the new industries to sell their goods at cheaper rates.

They also stressed the need for total exemption of scientific instruments, laboratory and research equipment from taxes and duties. Regulatory Duty should be assessed on case-to-case basis and should not be imposed on flat rates.

They said that they welcomed the posting of Members of Executive Boards of banks at Provincial Headquarters with powers of the Bank Presidents as an interim step. They said that Government should not only shift the headquarters of the nationalised banks and development finance institutions to Islamabad but allow opening of new banks in the private sector. Competition would improve the banking standard in public sector banks as well. Meanwhile the Government should fix loan ceiling for all regions of banks and ensure that ceilings are in accordance with the deposits of banks in those regions.

They said that they welcomed Islamisation of the banking system but were against fixing of Mark-Up rates higher than the interest rates under the new system. They said that maximum rate of interest before Islamisation of the banking system stood at 14 per cent. The minimum rate for the mark-up, which had replaced interest, was 16 per cent. Penalty imposed by commercial banks under Export Re-Finance Scheme was exorbitant. They said that Mark-Up rate should be lower than the interest charged before Islamisation of banking system.

They regretted that reduction in oil and vegetable oil prices had not been passed on to the consumers. The Government had saved Rs. 14 billion as a result of 60/70 per cent reduction in oil prices in international prices but the consumer had been given only 5 per cent benefit in retail prices. Similarly the Government had saved Rs. 2.5 billion as a re-

sult of reduction in vegetable oil prices but consumer had been allowed only Paisa 50 reduction in ghee price. The Government had lost only Rs. 2.16 crore in the form of concession in oil and vegetable ghee prices but had taken away about Rs. 3.75 billion by increasing postage and telephone call charges. It would have been better if the Government had not reduced oil and vegetable ghee prices and kept the postage and telephone call charges intact.

They regretted that WAPDA was raising Fuel Adjustment Charges (FAC) continuously despite decrease in oil price in the world. The FAC was Paisa 16 per unit in March 1985. It had shot up to Paisa 26 per unit in March 1986. The charges had now been increased to Paisa 28 per unit. Thus the FAC had increased by 75 per cent in Pakistan despite 60 to 70 per cent decrease in international oil prices. They said that FAC should be abolished as there was no justification to levy the FAC after the oil prices had come down. They also called for refund of excess MDI charges in proportion with load-shedding as WAPDA had failed to supply minimum quota of power promised by it to justify the imposition of MDI charges.

They regretted that Kala Bagh Dam had not figured in the Federal Budget. They said that delay in construction of the Dam was increasing the construction charges by Rs. one billion a year and depriving the economy of 3600 MWs of electricity. The Government should start construction of the Dam immediately.

They stressed the need for fixing the exchange rate of Pakistani Rupee or linking it with the Dollar once again to cover the risk due to continuous decrease in its rate. They pointed out that price of Rupee had fallen by 70 per cent since its delinking from the Dollar. The cost of projects increased con-



tinuously from the date of its planning to the execution date due to continuous increase in price of the Dollar in comparison with the Rupee.

They were of the view that abolition of the Export Rebate would have adverse effects on exports. They said that Export Rebate facility should be allowed on the contracts to be executed till September 30 as it had been allowed on already finalised contracts because many contracts had been reached verbally or on telex but not registered so far.

They also stressed the need for immediate notification of the Zero Duty Export Zone proposed near Lahore. They said that rate of Duty for Multan Zone should also be reduced to zero.

They demanded supply of cotton to Pakistani textile mills at the export rates. They pointed out that cotton was sold for Rs. 300 per maund in the international market but local textile mills got it for Rs. 500/525 per

maund. Foreign competitors of Pakistani textile mills were thus being given an edge of about 50 per cent over local mills in international market and mills lying closed in Japan, Korea and Taiwan had started operations once again due to availability of cheap cotton from Pakistan. One million spindles out of 4.5 million spindles in Pakistani textile mills had closed down due to fall in exports and loss of Rs. 5 billion to the textile industry.

Mian Muhammad Arshad Naeem, President, Lahore Chamber of Commerce and Industry, Mr. A.D. Bhutta, President Sialkot Chamber, Mr. Zafar Chaudhry, President, Rawalpindi Chamber, Mr. Muhammad Islam, President, Islamabad Chamber, Mian Muhammad Ashtaq, President, Sargodha Chamber, Syed Nazar Hussain Shah, President Faisalabad Chamber, Mian Maqbul Ahmed, President, Multan Chamber, and Mr. Iftikhar Sheikh, President, Dera Ghazi Khan Chamber of Commerce and Industry, addressed the Press conference.

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CSO: 4600/377

PAKISTAN

BRIEFS

AGRICULTURAL INCOME TAX URGED--Eight important Chambers of Commerce and Industry on Monday urged the Government to levy tax on the agricultural income to broaden the tax base and save the urban population from heavy taxation. The Presidents of Lahore, Sialkot, Rawalpindi Sargodha, Islamabad, Faisalabad, Multan and Dera Ghazi Khan chambers of commerce and industry said at a Press conference at the Lahore Chamber of Commerce and Industry that only 1 percent of population in Pakistan was being subjected to taxation. Out of this small percentage of tax-payers, 400,000 were salaried people from Government and private sector. The number of tax-payers from the business community was 300,000 or 0.3 percent of the population, they pointed out. According to them, agriculture sector had an annual turnover exceeding Rs 400 billion although it enjoyed subsidies but landlords earning millions of rupees from agriculture were exempt from taxation. They said that Rs 6 billion per annum could easily be raised from agricultural income in the beginning if it was taxed, which could save the urban population from further taxation to some extent. [Text] [Lahore THE PAKISTAN TIMES in English 17 Jun 86 p 1] /9317

CSO: 4600/377

SRI LANKA

LTTE CHIEF IDEOLOGIST: TAMILS READY TO ACCEPT FEDERAL STATE

Stockholm DAGENS NYHETER in Swedish 5 Jun 86 p 15

[Article by Goran Beckerus and Charlotte Wrangberg]

[Text] Madras--"If the government is willing to offer a federal constitution and our people believe it is a reasonable solution, then we will reexamine our demand for an independent Tamil state."

This was stated by Doctor Anton Balasingham, spokesman for the Tigers--the Liberation Tigers of Tamil Eelam (LTTE)--the largest and most highly disciplined of the four major Tamil guerrilla.

A "federal solution" is the key political word that could open the door to a negotiated settlement in the bloody ethnic conflict in Sri Lanka.

In the past, neither the guerrillas nor the government have spoken of such a solution. Recently, however, both sides have suffered severe military and political setbacks, which could affect their desire to compromise.

In early May, for example, the Tigers fought a bloody civil war with one of their largest competing guerrilla organizations, TELO, the Tamil Eelam Liberation organization, in which TELO was practically annihilated.

The war between the two guerrilla organizations came at the beginning of a difficult month in Sri Lanka. Several days later a plane belonging to the Sri Lankan airline Air Lanka was blown up at Colombo's international airport. At least 21 people were killed. The next terrorist deed occurred 4 days later. A bomb placed in a telephone booth at a post and telegraph station in Colombo killed 12 innocent people. Another 114 who were seriously injured are being cared for at a hospital. Late last week two more bombs exploded in Colombo, killing 36 people.

### Triumph

These explosions were a welcome propaganda triumph for the hard-pressed Sri Lankan government. It could then present the guerrillas as "terrorists" to world opinion. The government's position at peace negotiations, which were

underway, with India as mediator, was strengthened considerably. Once again, President J. R. Jayewardene began speaking of a military solution in the ethnic conflict that has made the island of paradise, Sri Lanka, into an "island of horror."

Since 1983, when the conflict between Singhalese and Tamils escalated seriously, more than 3,000 Tamil civilians have been killed--the Tamils themselves say 10,000. The Singhalese themselves have lost 300 civilians.

The Tamils have either been murdered by the government's security forces or died in the terrorist bombings that the government has carried out on the Jaffna Peninsula in the north.

This area is now ruled by the Tigers. This is a highly disciplined guerrilla movement that is purposeful and well equipped. Its political goal is Eelam, an independent Tamil state including the northern and eastern sections of Sri Lanka.

#### Wants To Protect

"Our purpose is to protect the Tamil people," Dr Balasingham said when we spoke with him at Tiger headquarters in Madras in southern India. Madras is the main city in the state Tamil Nadu. It is inhabited by over 50 million Indian Tamils, whose sympathy and open support for the Tamil guerrillas in Sri Lanka represent a difficult political reality for the central Indian government.

Many Tamils are hoping for military intervention by India. So far, however, Indian Prime Minister Rajiv Gandhi has limited himself to the role of mediator, although from time to time he criticizes the violent policies of the Sri Lankan government.

"It is one thing to deal with terrorists, but another to make an entire group of people responsible for terrorist activities," he recently said in harsh criticism of the terrorist bombings in the Jaffna and Trincomalee regions.

#### Political Sector

The Tigers and the other guerrilla organizations represent the military sector of the Tamils' struggle for independence. TULF, the Tamil United Liberation Front, is the political sector. Its leader, Appapillai Amirthalingam, lives in self-imposed exile in Madras. If the present peace negotiations fail, he will demand direct military intervention by India.

"India should take the same steps against Sri Lanka that it took against Bangladesh. If the genocide against Tamils continues, then I do not believe that international law would stand in the way of direct intervention," he said.

In the 1977 parliamentary elections, the last held in Sri Lanka, Amirthalingam and his TULF Party became the leading opposition party by demanding the

establishment of an independent Tamil state. TULF was forced to leave parliament in 1983 when, through an amendment to the constitution, the government required politicians and government officials to take an oath that denounced separatist positions.

#### Contempt

The Tamil guerrillas view TULF with scarcely concealed contempt. They believe TULF no longer has a political role to play. Amirthalingam believes, however, that the majority of the Tamils still put their hope in TULF and its political leadership.

Amirthalingam does not have his hands tied totally, from a political standpoint. He participated actively in the peace negotiations led by India and he is believed to be as representative of the Tamil position as members of the militant guerrillas.

He believes that most of the militant guerrillas will accept a federal state "if genuine independence for the Tamils is offered in such a state."

"I believe that a peaceful solution in line with the federal Indian governmental structure will be possible," he said. "But international opinion must put pressure on the Sri Lankan government."

#### Compromise

Is there any way the guerrillas would support any solution other than an independent Tamil state?

Tiger ideologist and spokesman Dr Anton Balasingham stated surprisingly that a compromise was possible.

"One condition for the Tamil guerrillas' abandoning their demand for an independent state and accepting a federal structure is that the question be put to the people in a referendum," he said.

At the same time, however, he admitted that a federal solution would not satisfy the Tigers' ambition of carrying out fundamental changes in Sri Lankan society in a socialist direction.

"There is no equality in Sri Lanka. The class problem is enormous. The people are exploited and oppressed in the name of the social evil that is called the caste system."

#### Will Change

"In a federal state we would not have the political power needed for a radical restructuring of Tamil society. Only if we have political power will we be able to carry out a radical social revolution, change the economic and social structure, establish equality, and abolish the caste system."



But it is the people who will establish the limits to change, he stressed once again.

"We have no desire to force an authoritarian and totalitarian system on the Tamil people. We have learned that bitter lesson from other socialist experiments. We do not intend to force any Chinese, Soviet, or Cuban model on the people."

"When we say socialism, we mean a socialism that is adapted to our people, our history, and our culture. In our socialism, democracy must be practiced in its original form. There will be individual freedom, a free press, and freedom of expression."

Although the Tigers have regained control over the northern sections of Sri Lanka following the government's unsuccessful offensive in late May, the guerrillas are far from able to achieve a military victory under their own strength.

#### Little Support

The support the Tigers receive is marginal compared to the massive aid in the form of weapons and advisers that the Sri Lankan government receives, primarily from Israel, South Africa, Pakistan, and China.

Israel recently supplied the Sri Lankan Navy with fast gunboats that are equipped with homing missiles. The Israeli gunboats were an extremely unpleasant surprise for the guerrillas.

The government troops, on the other hand, are basically "trapped" in a medieval fort in the center of the city of Jaffna, the rest of which is controlled by the guerrillas. From this fort they attempt to chase the guerrillas away with the help of grenade launchers and helicopters equipped with missiles and machine guns. Bombers are also used.

Unanimous reports from independent journalists who have visited the guerrilla-controlled areas in northern Sri Lanka speak of indiscriminate terrorist bombing by the military against the civilian population.

The central sections of Jaffna where schools, hospitals, post offices, courts, and market places are located are seen by the military as a "security zone" and are subjected to daily shellings by the Sri Lankan Army and Air Force.

#### Bombers

"The Sri Lankan government must be the only democratically elected government in the world that used bombers against its own people," a teacher at the university in Jaffna said.

The military's unsuccessful major offensive is a heavy blow to the Jayewardene government, which openly bragged that it could destroy the guerrillas militarily "within 1 month."

Another setback came several days ago when India announced that it had discontinued the peace negotiations and, thus, it had renounced its self-appointed role as mediator. India is now openly accusing the Sri Lankan government of being uninterested in a political solution.

Nevertheless, the military deadlock combined with Sri Lanka's more and more miserable economy speak for a negotiated settlement. In addition, in a recent interview President Jayewardene said that a "federal structure" was conceivable. That was the first time he had publicly defined a solution in those terms.

Although it has abandoned the peace negotiations, India still plays the key role. India is the only party that can pressure both the Sri Lankan government and the guerrillas. The general strike that the Tamils in Tamil Nadu began last Saturday to protest the Colombo government's treatment of Sri Lankan Tamils is one of many signs that India must soon take radical steps to achieve a peaceful settlement in Sri Lanka.

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6 AUGUST 1986